
ENGROSSED SUBSTITUTE SENATE BILL 6153

State of Washington 57th Legislature 2001 Second Special Session

By Senate Committee on Ways & Means (originally sponsored by Senator Brown)

READ FIRST TIME 06/08/2001.

1 AN ACT Relating to fiscal matters; amending RCW 43.320.110,
2 76.12.110, 49.70.170, 43.08.250, 82.14.310, 43.72.902, 43.79.465,
3 46.10.040, 72.11.040, 69.50.520, and 70.146.030; creating new sections;
4 making appropriations; providing an effective date; and declaring an
5 emergency.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 NEW SECTION. **Sec. 1.** (1) A budget is hereby adopted and, subject
8 to the provisions set forth in the following sections, the several
9 amounts specified in parts I through VIII of this act, or so much
10 thereof as shall be sufficient to accomplish the purposes designated,
11 are hereby appropriated and authorized to be incurred for salaries,
12 wages, and other expenses of the agencies and offices of the state and
13 for other specified purposes for the fiscal biennium beginning July 1,
14 2001, and ending June 30, 2003, except as otherwise provided, out of
15 the several funds of the state hereinafter named.

16 (2) Unless the context clearly requires otherwise, the definitions
17 in this section apply throughout this act.

18 (a) "Fiscal year 2002" or "FY 2002" means the fiscal year ending
19 June 30, 2002.

(b) "Fiscal year 2003" or "FY 2003" means the fiscal year ending June 30, 2003.

(c) "FTE" means full time equivalent.

(d) "Lapse" or "revert" means the amount shall return to an unappropriated status.

(e) "Provided solely" means the specified amount may be spent only for the specified purpose. Unless otherwise specifically authorized in this act, any portion of an amount provided solely for a specified purpose which is unnecessary to fulfill the specified purpose shall lapse.

PART I

GENERAL GOVERNMENT

NEW SECTION. **Sec. 101. FOR THE HOUSE OF REPRESENTATIVES**

General Fund--State Appropriation (FY 2002)	\$	28,313,000
General Fund--State Appropriation (FY 2003)	\$	28,497,000
Department of Retirement Systems Expense Account--		
State Appropriation	\$	45,000
TOTAL APPROPRIATION	\$	56,855,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$25,000 of the general fund--state appropriation is provided solely for allocation to Project Citizen, a program of the national conference of state legislatures to promote student civic involvement.

(2) \$15,000 of the general fund--state appropriation for fiscal year 2002 is provided for the legislature to continue the services of expert counsel on legal and policy issues relating to services for persons with developmental disabilities.

NEW SECTION. **Sec. 102. FOR THE SENATE**

General Fund--State Appropriation (FY 2002)	\$	22,863,000
General Fund--State Appropriation (FY 2003)	\$	23,999,000
Department of Retirement Systems Expense Account--		
State Appropriation	\$	45,000
TOTAL APPROPRIATION	\$	46,907,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$25,000 of the general fund--state appropriation is provided solely for allocation to Project Citizen, a program of the national conference of state legislatures to promote student civic involvement.

(2) \$15,000 of the general fund--state appropriation for fiscal year 2002 is provided for the legislature to continue the services of expert counsel on legal and policy issues relating to services for persons with developmental disabilities.

NEW SECTION. Sec. 103. FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE

General Fund--State Appropriation (FY 2002) . . .	\$	2,736,000
General Fund--State Appropriation (FY 2003) . . .	\$	2,238,000
TOTAL APPROPRIATION	\$	4,974,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$150,000 of the general fund--state appropriation for fiscal year 2002 and \$75,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the joint legislative audit and review committee to conduct an evaluation of the client outcomes of the high school transition program operated by the department of social and health services division of developmental disabilities. The study shall identify the different approaches that have been used in providing transition services and whether some approaches are more or less successful in helping young adults with developmental disabilities achieve greater levels of independence. The study shall evaluate how transition programs reduce the level of support provided to clients as they achieve greater levels of independence, and shall be submitted to the appropriate committees of the legislature by December 1, 2002.

(2) \$50,000 of the general fund--state appropriation for fiscal year 2002 is provided solely for the joint legislative audit and review committee to conduct a capacity planning study of the capital facilities of the state school for the deaf. The committee's study shall be carried out in conjunction with the study of educational service delivery models conducted by the state institute for public policy. The study shall be submitted to the fiscal committees of the legislature by September 30, 2002.

(3) \$35,000 of the general fund--state appropriation for fiscal year 2002 is provided solely for the joint legislative audit and review

1 committee to conduct a review of water conservancy boards. The review
2 shall include an assessment of the operating costs of existing boards;
3 the sources of funding for board operations; sources of in-kind support
4 for board operations; assessment of the value of water rights subject
5 to change or transfer decisions; the range of costs of processing water
6 right transfer applications by the boards as well as by the department
7 of ecology for applications filed directly with the department; the
8 costs to the department of training, assistance, and review of board
9 recommendations on applications; board membership and board
10 recordkeeping; and public participation procedures for both the water
11 conservancy boards and the department of ecology. The committee shall
12 submit its review by January 1, 2003, to the appropriate policy and
13 fiscal committees of the legislature.

14 (4) \$40,000 of the general fund--state appropriation for fiscal
15 year 2002 is provided solely for a follow-up review to report number
16 98-3, the performance audit of the department of corrections. The
17 follow-up study shall include but not be limited to a review of:

18 (a) Community supervision activities performed by the department;

19 (b) The implementation of risk-based classification and community
20 placement models;

21 (c) The early implementation of the offender accountability act;
22 and

23 (d) The cost impacts of the risk-based models and the offender
24 accountability act.

25 The committee shall consult with the Washington state institute for
26 public policy regarding data and findings from the institute's current
27 studies on these issues. A report of the follow-up study shall be
28 submitted to the relevant policy and fiscal committees of the
29 legislature by December 21, 2001. Upon the completion of the follow-up
30 review, the committee shall make a determination whether an additional
31 phase of study is needed. If further study is indicated, the committee
32 shall submit to the relevant policy and fiscal committees of the
33 legislature its plan and cost estimate for such study by March 29,
34 2002.

35 (5) \$140,000 of the general fund--state appropriation for fiscal
36 year 2002 is provided for a study of children's mental health in
37 Washington. The study shall include but not be limited to:

38 (a) A review of plans and services for children, including those
39 for early periodic screening, diagnosis, and treatment;

1 (b) A review of the implementation of the plans;

2 (c) A review of the availability and reliability of fiscal,
3 program, and outcome data relating to mental health services provided
4 to children; and

5 (d) A survey of mental health services for children among the
6 state's regional support networks.

7 The committee shall make recommendations, as appropriate, for the
8 improvement of services and system performance, including the need for
9 performance and client outcome measures. The committee may contract
10 for consulting services in conducting the study. The committee shall
11 submit a report to the appropriate policy and fiscal committees of the
12 legislature by July 1, 2002.

13 (6) \$300,000 of the general fund--state appropriation for fiscal
14 year 2002 and \$300,000 of the general fund--state appropriation for
15 fiscal year 2003 are provided solely for a performance audit of school
16 district compliance with state and federal regulations concerning
17 special education. The audit will focus on determining the extent
18 throughout the state to which (a) students are appropriately evaluated
19 as being initially eligible for and retaining their eligibility in
20 special education; (b) students' individual education programs (IEP's)
21 reflect their initial and continuing evaluations; (c) special education
22 students are receiving specially designed instruction in accordance
23 with their IEP's; and (d) special education students are being properly
24 counted for purposes of state and federal funding. As part of its
25 focus on compliance, the audit shall quantify the statewide fiscal
26 impact of district noncompliance with regulations. The performance
27 audit shall further evaluate and make recommendations on the kind and
28 extent of auditing and monitoring functions that are needed to ensure
29 that (a) the full amount of state and federal funds are recovered when
30 districts are out of compliance with regulations, and (b) district
31 corrective action plans are developed so as to avoid future
32 noncompliance. The committee may contract for consulting services for
33 all or any part of this performance audit. A final report shall be
34 provided to the legislature no later than September 1, 2003. Interim
35 findings shall be submitted by September 30, 2002.

36 (7) Within the amounts provided in this section, the joint
37 legislative audit and review committee shall conduct a study of the
38 Washington management service. The study shall include findings
39 regarding (a) growth in the number of positions in the Washington

management service, (b) growth in salary levels and structure since the Washington management service's inception, and (c) other compensation practices used within the Washington management service. The department of personnel shall cooperate with the committee in conducting the study and provide information as requested by the committee. The committee shall provide a report to the fiscal committees of the legislature by December 31, 2001.

(8) Within the amounts provided in this section, the joint legislative audit and review committee shall review all aspects of the mental health prevalence study completed in accordance with section 204 of this act, including but not limited to the contractor selection process, if any; the study design and workplan; the implementation of the study; and the draft and final reports.

(9) The committee shall study and report on pipeline safety as provided in section 149 of this act.

NEW SECTION. Sec. 104. FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE

General Fund--State Appropriation (FY 2002)	. . \$	1,329,000
General Fund--State Appropriation (FY 2003)	. . \$	1,462,000
Public Works Assistance Account--State		
Appropriation	\$	203,000
TOTAL APPROPRIATION	\$	2,994,000

NEW SECTION. Sec. 105. FOR THE OFFICE OF THE STATE ACTUARY

Department of Retirement Systems Expense Account--

State Appropriation	\$	1,923,000
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NEW SECTION. Sec. 106. FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE

General Fund--State Appropriation (FY 2002)	. . \$	6,421,000
General Fund--State Appropriation (FY 2003)	. . \$	7,043,000
TOTAL APPROPRIATION	\$	13,464,000

NEW SECTION. Sec. 107. FOR THE STATUTE LAW COMMITTEE

General Fund--State Appropriation (FY 2002)	. . \$	3,909,000
General Fund--State Appropriation (FY 2003)	. . \$	4,038,000
TOTAL APPROPRIATION	\$	7,947,000

The appropriations in this section are subject to the following conditions and limitations: \$41,000 of the general fund fiscal year 2002 appropriation and \$43,000 of the general fund fiscal year 2003 appropriation are provided solely for the uniform legislation commission.

NEW SECTION. Sec. 108. LEGISLATIVE AGENCIES. In order to achieve operating efficiencies within the financial resources available to the legislative branch, the executive rules committee of the house of representatives and the facilities and operations committee of the senate by joint action may transfer funds among the house of representatives, senate, joint legislative audit and review committee, legislative evaluation and accountability program committee, legislative transportation committee, office of the state actuary, joint legislative systems committee, and statute law committee.

<u>NEW SECTION.</u> Sec. 109. FOR THE SUPREME COURT		
General Fund--State Appropriation (FY 2002) . . .	\$	5,423,000
General Fund--State Appropriation (FY 2003) . . .	\$	5,510,000
TOTAL APPROPRIATION	\$	10,933,000

<u>NEW SECTION.</u> Sec. 110. FOR THE LAW LIBRARY		
General Fund--State Appropriation (FY 2002) . . .	\$	1,982,000
General Fund--State Appropriation (FY 2003) . . .	\$	1,983,000
TOTAL APPROPRIATION	\$	3,965,000

<u>NEW SECTION.</u> Sec. 111. FOR THE COURT OF APPEALS		
General Fund--State Appropriation (FY 2002) . . .	\$	12,746,000
General Fund--State Appropriation (FY 2003) . . .	\$	12,878,000
TOTAL APPROPRIATION	\$	25,624,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$505,000 of the general fund--state appropriation for fiscal year 2002 and \$606,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for lease increases associated with the division I facility. Within the funds provided in this subsection, the court of appeals shall conduct a space planning study exploring options dealing with remodeling existing space to accommodate

needs and evaluating the cost and benefits of moving to another location.

(2) \$168,000 of the general fund--state appropriation for fiscal year 2002 and \$159,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for providing compensation adjustments to nonjudicial staff of the court of appeals. Within the funds provided in this subsection, the court of appeals shall determine the specific positions to receive compensation adjustments based on recruitment and retention difficulties, new duties or responsibilities assigned, and salary inversion or compression within the court of appeals.

NEW SECTION. Sec. 112. FOR THE COMMISSION ON JUDICIAL CONDUCT

General Fund--State Appropriation (FY 2002) . . .	\$	955,000
General Fund--State Appropriation (FY 2003) . . .	\$	969,000
TOTAL APPROPRIATION	\$	1,924,000

NEW SECTION. Sec. 113. FOR THE ADMINISTRATOR FOR THE COURTS

General Fund--State Appropriation (FY 2002) . . .	\$	14,247,000
General Fund--State Appropriation (FY 2003) . . .	\$	14,386,000
Public Safety and Education Account--State Appropriation	\$	29,634,000
Judicial Information Systems Account--State Appropriation	\$	27,758,000
TOTAL APPROPRIATION	\$	86,025,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Funding provided in the judicial information systems account appropriation shall be used for the operations and maintenance of technology systems that improve services provided by the supreme court, the court of appeals, the office of public defense, and the administrator for the courts.

(2) No moneys appropriated in this section may be expended by the administrator for the courts for payments in excess of fifty percent of the employer contribution on behalf of superior court judges for insurance and health care plans and federal social security and medicare and medical aid benefits. As required by Article IV, section 13 of the state Constitution and 1996 Attorney General's Opinion No. 2,

1 it is the intent of the legislature that the costs of these employer
2 contributions shall be shared equally between the state and county or
3 counties in which the judges serve. The administrator for the courts
4 shall continue to implement procedures for the collection and
5 disbursement of these employer contributions. During each fiscal year
6 in the 2001-03 biennium, the office of the administrator for the courts
7 shall send written notice to the office of community development in the
8 department of community, trade, and economic development when each
9 county pays its fifty percent share for the year.

10 (3) \$223,000 of the public safety and education account
11 appropriation is provided solely for the gender and justice commission.

12 (4) \$308,000 of the public safety and education account
13 appropriation is provided solely for the minority and justice
14 commission.

15 (5) \$278,000 of the general fund--state appropriation for fiscal
16 year 2002, \$285,000 of the general fund--state appropriation for fiscal
17 year 2003, and \$263,000 of the public safety and education account
18 appropriation are provided solely for the workload associated with tax
19 warrants and other state cases filed in Thurston county.

20 (6) \$750,000 of the general fund--state appropriation for fiscal
21 year 2002 and \$750,000 of the general fund--state appropriation for
22 fiscal year 2003 are provided solely for court-appointed special
23 advocates in dependency matters. The administrator for the courts,
24 after consulting with the association of juvenile court administrators
25 and the association of court-appointed special advocate/guardian ad
26 litem programs, shall distribute the funds to volunteer court-appointed
27 special advocate/guardian ad litem programs. The distribution of
28 funding shall be based on the number of children who need volunteer
29 court-appointed special advocate representation and shall be equally
30 accessible to all volunteer court-appointed special advocate/guardian
31 ad litem programs. The administrator for the courts shall not retain
32 more than six percent of total funding to cover administrative or any
33 other agency costs.

34 (7) \$750,000 of the public safety and education account--state
35 appropriation is provided solely for judicial program enhancements.
36 Within the funding provided in this subsection, the administrator for
37 the courts, in consultation with the supreme court, shall determine the
38 program or programs to receive an enhancement. Among the programs that

may be funded from the amount provided in this subsection are unified family courts.

(8) \$1,618,000 of the public safety and education account--state appropriation is provided solely for increases for juror pay. The office of the administrator for the courts may contract with local governments to provide additional juror pay. The contract shall provide that the local government is responsible for the first ten dollars of juror compensation for each day or partial day of jury service, and the state shall reimburse the local government for any additional compensation, excluding the first day, up to a maximum of fifteen dollars per day.

NEW SECTION. Sec. 114. FOR THE OFFICE OF PUBLIC DEFENSE

General Fund--State Appropriation (FY 2002)	\$	600,000
Public Safety and Education Account--State		
Appropriation	\$	12,626,000
TOTAL APPROPRIATION	\$	13,226,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$233,000 of the public safety and education account appropriation is provided solely to increase the reimbursement for private attorneys providing constitutionally mandated indigent defense in nondeath penalty cases.

(2) \$51,000 of the public safety and education account appropriation is provided solely for the implementation of chapter 303, Laws of 1999 (court funding).

(3) Amounts provided from the public safety and education account appropriation in this section include funding for investigative services in death penalty personal restraint petitions.

(4) The entire general fund--state appropriation is provided solely for the continuation of a dependency and termination legal representation funding pilot program.

(a) The goal of the pilot program shall be to enhance the quality of legal representation in dependency and termination hearings, thereby reducing the number of continuances requested by contract attorneys, including those based on the unavailability of defense counsel. To meet the goal, the pilot shall include the following components:

1 (i) A maximum caseload requirement of 90 dependency and termination
2 cases per full-time attorney;

3 (ii) Implementation of enhanced defense attorney practice
4 standards, including but not limited to those related to reasonable
5 case preparation and the delivery of adequate client advice, as
6 developed by Washington state public defense attorneys and included in
7 the office of public defense December 1999 report *Costs of Defense and*
8 *Children's Representation in Dependency and Termination Hearings* ;

9 (iii) Use of investigative and expert services in appropriate
10 cases; and

11 (iv) Effective implementation of indigency screening of all
12 dependency and termination parents, guardians, and legal custodians
13 represented by appointed counsel.

14 (b) The pilot program shall be established in one eastern and one
15 western Washington juvenile court.

16 (c) The director shall contract for an independent evaluation of
17 the pilot program benefits and costs. A final evaluation shall be
18 submitted to the governor and the fiscal committees of the legislature
19 no later than February 1, 2002.

20 (d) The chair of the office of public defense advisory committee
21 shall appoint an implementation committee to:

22 (i) Develop criteria for a statewide program to improve dependency
23 and termination defense;

24 (ii) Examine caseload impacts to the courts resulting from improved
25 defense practices; and

26 (iii) Identify methods for the efficient use of expert services and
27 means by which parents may effectively access services.

28 If sufficient funds are available, the office of public defense
29 shall contract with the Washington state institute for public policy to
30 research how reducing dependency and termination case delays affects
31 foster care and to identify factors that are reducing the number of
32 family reunifications that occur in dependency and termination cases.

33 (5) \$50,000 of the public safety and education account--state
34 appropriation is provided solely for the evaluation required in chapter
35 92, Laws of 2000 (DNA testing).

36 (6) \$235,000 of the public safety and education account--state
37 appropriation is provided solely for the office of public defense to
38 contract with an existing public defender association to establish a
39 capital defense assistance center.

NEW SECTION. Sec. 115. FOR THE OFFICE OF THE GOVERNOR

General Fund--State Appropriation (FY 2002)	. . . \$	4,537,000
General Fund--State Appropriation (FY 2003)	. . . \$	4,524,000
General Fund--Federal Appropriation	. . . . . \$	219,000
Water Quality Account--State		
Appropriation	. . . . . \$	3,908,000
TOTAL APPROPRIATION	. . . . . \$	13,188,000

The appropriations in this section are subject to the following conditions and limitations: \$3,204,000 of the water quality account appropriation and \$209,000 of the general fund--federal appropriation are provided solely for the Puget Sound water quality action team to implement the Puget Sound work plan and agency action items PSAT-01 through PSAT-05.

NEW SECTION. Sec. 116. FOR THE LIEUTENANT GOVERNOR

General Fund--State Appropriation (FY 2002)	. . . \$	449,000
General Fund--State Appropriation (FY 2003)	. . . \$	451,000
TOTAL APPROPRIATION	. . . . . \$	900,000

NEW SECTION. Sec. 117. FOR THE PUBLIC DISCLOSURE COMMISSION

General Fund--State Appropriation (FY 2002)	. . . \$	1,910,000
General Fund--State Appropriation (FY 2003)	. . . \$	1,903,000
TOTAL APPROPRIATION	. . . . . \$	3,813,000

NEW SECTION. Sec. 118. FOR THE SECRETARY OF STATE

General Fund--State Appropriation (FY 2002)	. . . . . \$	10,513,000
General Fund--State Appropriation (FY 2003)	. . . . . \$	8,707,000
Archives and Records Management Account--State		
Appropriation	. . . . . \$	7,295,000
Archives and Records Management Account--Private/		
Local Appropriation	. . . . . \$	3,860,000
Department of Personnel Service Account		
Appropriation	. . . . . \$	719,000
TOTAL APPROPRIATION	. . . . . \$	31,094,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,296,000 of the general fund--state appropriation for fiscal year 2002 is provided solely to reimburse counties for the state's

1 share of primary and general election costs and the costs of conducting
2 mandatory recounts on state measures. Counties shall be reimbursed
3 only for those odd-year election costs that the secretary of state
4 validates as eligible for reimbursement.

5 (2) \$2,193,000 of the general fund--state appropriation for fiscal
6 year 2002 and \$2,712,000 of the general fund--state appropriation for
7 fiscal year 2003 are provided solely for the verification of initiative
8 and referendum petitions, maintenance of related voter registration
9 records, and the publication and distribution of the voters and
10 candidates pamphlet.

11 (3) \$125,000 of the general fund--state appropriation for fiscal
12 year 2002 and \$125,000 of the general fund--state appropriation for
13 fiscal year 2003 are provided solely for legal advertising of state
14 measures under RCW 29.27.072.

15 (4)(a) \$1,944,004 of the general fund--state appropriation for
16 fiscal year 2002 and \$1,986,772 of the general fund--state
17 appropriation for fiscal year 2003 are provided solely for contracting
18 with a nonprofit organization to produce gavel-to-gavel television
19 coverage of state government deliberations and other events of
20 statewide significance during the 2001-2003 biennium. An eligible
21 nonprofit organization must be formed solely for the purpose of, and be
22 experienced in, providing gavel-to-gavel television coverage of state
23 government deliberations and other events of statewide significance and
24 must have received a determination of tax-exempt status under section
25 501(c)(3) of the federal internal revenue code. The funding level for
26 each year of the contract shall be based on the amount provided in this
27 subsection and adjusted to reflect the implicit price deflator for the
28 previous year. The nonprofit organization shall be required to raise
29 contributions or commitments to make contributions, in cash or in kind,
30 in an amount equal to forty percent of the state contribution. The
31 office of the secretary of state may make full or partial payment once
32 all criteria in (a) and (b) of this subsection have been satisfactorily
33 documented.

34 (b) The legislature finds that the commitment of on-going funding
35 is necessary to ensure continuous, autonomous, and independent coverage
36 of public affairs. For that purpose, the secretary of state shall
37 enter into a four-year contract with the nonprofit organization to
38 provide public affairs coverage through June 30, 2006.

1 (c) The nonprofit organization shall prepare an annual independent
2 audit, an annual financial statement, and an annual report, including
3 benchmarks that measure the success of the nonprofit organization in
4 meeting the intent of the program.

5 (d) No portion of any amounts disbursed pursuant to this subsection
6 may be used, directly or indirectly, for any of the following purposes:

7 (i) Attempting to influence the passage or defeat of any
8 legislation by the legislature of the state of Washington, by any
9 county, city, town, or other political subdivision of the state of
10 Washington, or by the congress, or the adoption or rejection of any
11 rule, standard, rate, or other legislative enactment of any state
12 agency;

13 (ii) Making contributions reportable under chapter 42.17 RCW; or

14 (iii) Providing any: (A) Gift; (B) honoraria; or (C) travel,
15 lodging, meals, or entertainment to a public officer or employee.

16 (5)(a) \$149,316 of the archives and records management--state
17 appropriation and \$597,266 of the archives and records management--
18 private/local appropriation are provided solely for the construction of
19 an eastern regional archives. The amounts provided in this subsection
20 shall lapse if:

21 (i) The financing contract for the construction of an eastern
22 regional archives building is not authorized in the capital budget for
23 the 2001-03 fiscal biennium; or

24 (ii) Substitute House Bill No. 1926 (increasing the surcharge on
25 county auditor recording fees) is not enacted by June 30, 2001.

26 (b) \$613,879 of the archives and records management--state
27 appropriation and \$463,102 of the archives and records management--
28 private/local appropriation are provided solely for the design and
29 establishment of an electronic data archive, including the acquisition
30 of hardware and software. The amounts provided in this subsection
31 shall lapse if:

32 (i) The financing contract for acquisition of technology hardware
33 and software for the electronic data archive is not authorized in the
34 capital budget for the 2001-03 fiscal biennium; or

35 (ii) Substitute House Bill No. 1926 (increasing the surcharge on
36 county auditor recording fees) is not enacted by June 30, 2001.

37 (6) If the financing contract for expansion of the state records
38 center is not authorized in the capital budget for fiscal biennium

1 2001-03, then \$641,000 of the archives and records management account--
2 state appropriation shall lapse.

3 (7) \$867,000 of the archives and records management account--state
4 appropriation is provided solely for operation of the central
5 microfilming bureau under RCW 40.14.020(8).

6 NEW SECTION. **Sec. 119. FOR THE GOVERNOR'S OFFICE OF INDIAN**
7 **AFFAIRS**

8	General Fund--State Appropriation (FY 2002) . . .	\$	269,000
9	General Fund--State Appropriation (FY 2003) . . .	\$	282,000
10	TOTAL APPROPRIATION	\$	551,000

11 NEW SECTION. **Sec. 120. FOR THE COMMISSION ON ASIAN-AMERICAN**
12 **AFFAIRS**

13	General Fund--State Appropriation (FY 2002) . . .	\$	233,000
14	General Fund--State Appropriation (FY 2003) . . .	\$	233,000
15	TOTAL APPROPRIATION	\$	466,000

16 NEW SECTION. **Sec. 121. FOR THE STATE TREASURER**

17 State Treasurer's Service Account--State

18	Appropriation	\$	12,870,000
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19 NEW SECTION. **Sec. 122. FOR THE REDISTRICTING COMMISSION**

20	General Fund--State Appropriation (FY 2002) . . .	\$	856,000
21	General Fund--State Appropriation (FY 2003) . . .	\$	20,000
22	TOTAL APPROPRIATION	\$	876,000

23 The appropriations in this section are subject to the following
24 conditions and limitations: On January 1, 2003, any unspent portions
25 of this appropriation shall be deposited in the common school
26 construction fund.

27 NEW SECTION. **Sec. 123. FOR THE STATE AUDITOR**

28	General Fund--State Appropriation (FY 2002) . . .	\$	1,068,000
29	General Fund--State Appropriation (FY 2003) . . .	\$	1,144,000
30	State Auditing Services Revolving Account--State		
31	Appropriation	\$	13,540,000
32	TOTAL APPROPRIATION	\$	15,752,000

1 The appropriations in this section are subject to the following
2 conditions and limitations:

3 (1) Audits of school districts by the division of municipal
4 corporations shall include findings regarding the accuracy of: (a)
5 Student enrollment data; and (b) the experience and education of the
6 district's certified instructional staff, as reported to the
7 superintendent of public instruction for allocation of state funding.

8 (2) \$910,000 of the general fund--state appropriation for fiscal
9 year 2002 and \$910,000 of the general fund--state appropriation for
10 fiscal year 2003 are provided solely for staff and related costs to
11 verify the accuracy of reported school district data submitted for
12 state funding purposes; conduct school district program audits of state
13 funded public school programs; establish the specific amount of state
14 funding adjustments whenever audit exceptions occur and the amount is
15 not firmly established in the course of regular public school audits;
16 and to assist the state special education safety net committee when
17 requested.

18 (3) \$290,000 of the general fund-state appropriation for fiscal
19 year 2002 and \$120,000 of the general fund-state appropriation for
20 fiscal year 2003 are for the state auditor to conduct a performance and
21 financial audit of the port of Seattle third runway project. The audit
22 shall: (a) Review and document the financial history of the project;
23 (b) evaluate the performance measures used by the port of Seattle for
24 the project; (c) evaluate the current project schedule and cost
25 estimates; (d) review the sources of funding and evaluate the adequacy
26 of funding necessary to complete the project; (e) evaluate the effect
27 of project costs on the competitive operation of Seattle-Tacoma
28 international airport and development of future regional airport
29 facilities; and (f) identify and evaluate emerging regional and state
30 issues that may affect the project's scope, budget or schedule.

31 (4) The audit shall be performed in accordance with generally
32 accepted government auditing standards as promulgated by the United
33 States general accounting office. The auditor may contract for
34 consulting services in carrying out this audit. Upon completion of the
35 audit, the auditor shall report the findings to the appropriate
36 legislative committees by November 20, 2002.

37 NEW SECTION. **Sec. 124. FOR THE CITIZENS' COMMISSION ON SALARIES**
38 **FOR ELECTED OFFICIALS**

1	General Fund--State Appropriation (FY 2002) . . . \$	80,000
2	General Fund--State Appropriation (FY 2003) . . . \$	152,000
3	TOTAL APPROPRIATION \$	232,000

4 NEW SECTION. **Sec. 125. FOR THE ATTORNEY GENERAL**

5	General Fund--State Appropriation (FY 2002) . . . \$	4,811,000
6	General Fund--State Appropriation (FY 2003) . . . \$	4,806,000
7	General Fund--Federal Appropriation \$	2,868,000
8	Public Safety and Education Account--State	
9	Appropriation \$	1,789,000
10	Tobacco Prevention and Control Account	
11	Appropriation \$	277,000
12	New Motor Vehicle Arbitration Account--State	
13	Appropriation \$	1,163,000
14	Legal Services Revolving Account--State	
15	Appropriation \$	146,348,000
16	TOTAL APPROPRIATION \$	162,062,000

17 The appropriations in this section are subject to the following
18 conditions and limitations:

19 (1) The attorney general shall report each fiscal year on actual
20 legal services expenditures and actual attorney staffing levels for
21 each agency receiving legal services. The report shall be submitted to
22 the office of financial management and the fiscal committees of the
23 senate and house of representatives no later than ninety days after the
24 end of each fiscal year.

25 (2) The attorney general and the office of financial management
26 shall modify the attorney general billing system to meet the needs of
27 user agencies for greater predictability, timeliness, and explanation
28 of how legal services are being used by the agency. The attorney
29 general shall provide the following information each month to agencies
30 receiving legal services: (a) The full-time equivalent attorney
31 services provided for the month; (b) the full-time equivalent
32 investigator services provided for the month; (c) the full-time
33 equivalent paralegal services provided for the month; and (d) direct
34 legal costs, such as filing and docket fees, charged to the agency for
35 the month.

36 (3) Prior to entering into any negotiated settlement of a claim
37 against the state, that exceeds five million dollars, the attorney

1 general shall notify the director of financial management and the
2 chairs of the senate committee on ways and means and the house of
3 representatives committee on appropriations.

4 NEW SECTION. **Sec. 126. FOR THE CASELOAD FORECAST COUNCIL**

5	General Fund--State Appropriation (FY 2002) . . .	\$	631,000
6	General Fund--State Appropriation (FY 2003) . . .	\$	619,000
7	TOTAL APPROPRIATION	\$	1,250,000

8 NEW SECTION. **Sec. 127. FOR THE DEPARTMENT OF COMMUNITY, TRADE,**
9 **AND ECONOMIC DEVELOPMENT**

10	General Fund--State Appropriation (FY 2002) . . .	\$	70,412,000
11	General Fund--State Appropriation (FY 2003) . . .	\$	70,352,000
12	General Fund--Federal Appropriation	\$	173,342,000
13	General Fund--Private/Local Appropriation . . .	\$	7,980,000
14	Public Safety and Education Account--State		
15	Appropriation	\$	9,800,000
16	Public Works Assistance Account--State		
17	Appropriation	\$	1,911,000
18	Film and Video Promotion Account--State		
19	Appropriation	\$	25,000
20	Building Code Council Account--State		
21	Appropriation	\$	1,061,000
22	Administrative Contingency Account--State		
23	Appropriation	\$	1,777,000
24	Low-Income Weatherization Assistance Account--State		
25	Appropriation	\$	3,292,000
26	Violence Reduction and Drug Enforcement Account--		
27	State Appropriation	\$	6,081,000
28	Manufactured Home Installation Training Account--		
29	State Appropriation	\$	256,000
30	Community Economic Development Account--		
31	State Appropriation	\$	113,000
32	Washington Housing Trust Account--State		
33	Appropriation	\$	5,597,000
34	Public Facility Construction Loan Revolving		
35	Account--State Appropriation	\$	550,000
36	TOTAL APPROPRIATION	\$	352,549,000

1 The appropriations in this section are subject to the following
2 conditions and limitations:

3 (1) It is the intent of the legislature that the department of
4 community, trade, and economic development receive separate
5 programmatic allotments for the office of community development and the
6 office of trade and economic development. Any appropriation made to
7 the department of community, trade, and economic development for
8 carrying out the powers, functions, and duties of either office shall
9 be credited to the appropriate office.

10 (2) \$3,085,000 of the general fund--state appropriation for fiscal
11 year 2002 and \$3,085,000 of the general fund--state appropriation for
12 fiscal year 2003 are provided solely for a contract with the Washington
13 technology center. For work essential to the mission of the Washington
14 technology center and conducted in partnership with universities, the
15 center shall not pay any increased indirect rate nor increases in other
16 indirect charges above the absolute amount paid during the 1995-97
17 fiscal biennium.

18 (3) \$61,000 of the general fund--state appropriation for fiscal
19 year 2002 and \$62,000 of the general fund--state appropriation for
20 fiscal year 2003 are provided solely for the implementation of the
21 Puget Sound work plan and agency action item OCD-01.

22 (4) \$10,403,445 of the general fund--federal appropriation is
23 provided solely for the drug control and system improvement formula
24 grant program, to be distributed in state fiscal year 2002 as follows:

25 (a) \$3,603,250 to local units of government to continue
26 multijurisdictional narcotics task forces;

27 (b) \$620,000 to the department to continue the drug prosecution
28 assistance program in support of multijurisdictional narcotics task
29 forces;

30 (c) \$1,363,000 to the Washington state patrol for coordination,
31 investigative, and supervisory support to the multijurisdictional
32 narcotics task forces and for methamphetamine education and response;

33 (d) \$200,000 to the department for grants to support tribal law
34 enforcement needs;

35 (e) \$991,000 to the department of social and health services,
36 division of alcohol and substance abuse, for drug courts in eastern and
37 western Washington;

38 (f) \$302,551 to the department for training and technical
39 assistance of public defenders representing clients with special needs;

(g) \$88,000 to the department to continue a substance abuse treatment in jails program, to test the effect of treatment on future criminal behavior;

(h) \$697,075 to the department to continue domestic violence legal advocacy;

(i) \$903,000 to the department of social and health services, juvenile rehabilitation administration, to continue youth violence prevention and intervention projects;

(j) \$60,000 to the Washington association of sheriffs and police chiefs to complete the state and local components of the national incident-based reporting system;

(k) \$60,000 to the department for community-based advocacy services to victims of violent crime, other than sexual assault and domestic violence;

(l) \$91,000 to the department to continue the governor's council on substance abuse;

(m) \$99,000 to the department to continue evaluation of Byrne formula grant programs;

(n) \$500,469 to the office of financial management for criminal history records improvement; and

(o) \$825,100 to the department for required grant administration, monitoring, and reporting on Byrne formula grant programs.

These amounts represent the maximum Byrne grant expenditure authority for each program. No program may expend Byrne grant funds in excess of the amounts provided in this subsection. If moneys in excess of those appropriated in this subsection become available, whether from prior or current fiscal year Byrne grant distributions, the department shall hold these moneys in reserve and may not expend them without specific appropriation. These moneys shall be carried forward and applied to the pool of moneys available for appropriation for programs and projects in the succeeding fiscal year. As part of its budget request for the succeeding year, the department shall estimate and request authority to spend any funds remaining in reserve as a result of this subsection.

(5) \$470,000 of the general fund--state appropriation for fiscal year 2002 and \$470,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for rural economic development activities including \$200,000 for the Washington manufacturing service, and \$100,000 for business retention and expansion.

1 (6) \$1,250,000 of the general fund--state appropriation for fiscal
2 year 2002 and \$1,250,000 of the general fund--state appropriation for
3 fiscal year 2003 are provided solely for grants to operate, repair, and
4 staff shelters for homeless families with children.

5 (7) \$2,500,000 of the general fund--state appropriation for fiscal
6 year 2002 and \$2,500,000 of the general fund--state appropriation for
7 fiscal year 2003 are provided solely for grants to operate transitional
8 housing for homeless families with children. The grants may also be
9 used to make partial payments for rental assistance.

10 (8) \$1,250,000 of the general fund--state appropriation for fiscal
11 year 2002 and \$1,250,000 of the general fund--state appropriation for
12 fiscal year 2003 are provided solely for consolidated emergency
13 assistance to homeless families with children.

14 (9) \$205,000 of the general fund--state appropriation for fiscal
15 year 2002 and \$205,000 of the general fund--state appropriation for
16 fiscal year 2003 are provided solely for grants to Washington Columbia
17 river gorge counties to implement their responsibilities under the
18 national scenic area management plan. Of this amount, \$390,000 is
19 provided for Skamania county and \$20,000 is provided for Clark county.

20 (10) \$698,000 of the general fund--state appropriation for fiscal
21 year 2002, \$698,000 of the general fund--state appropriation for fiscal
22 year 2003, and \$1,101,000 of the administrative contingency account
23 appropriation are provided solely for contracting with associate
24 development organizations to maintain existing programs.

25 (11) \$600,000 of the public safety and education account
26 appropriation is provided solely for sexual assault prevention and
27 treatment programs.

28 (12) \$680,000 of the Washington housing trust account appropriation
29 is provided solely to conduct a pilot project designed to lower
30 infrastructure costs for residential development.

31 (13) \$50,000 of the general fund--state appropriation for fiscal
32 year 2002 and \$50,000 of the general fund--state appropriation for
33 fiscal year 2003 are provided to the department solely for providing
34 technical assistance to developers of housing for farmworkers.

35 (14) \$370,000 of the general fund--state appropriation for fiscal
36 year 2002, \$371,000 of the general fund--state appropriation for fiscal
37 year 2003, and \$25,000 of the film and video promotion account
38 appropriation are provided solely for the film office to bring film and
39 video production to Washington state.

1 (15) \$22,000 of the general fund--state appropriation for fiscal
2 year 2002 and \$23,000 of the general fund--state appropriation for
3 fiscal year 2003 are provided solely as a matching grant to support the
4 Washington state senior games. State funding shall be matched with at
5 least an equal amount of private or local governmental funds.

6 (16) \$500,000 of the general fund--state appropriation for fiscal
7 year 2002 and \$500,000 of the general fund--state appropriation for
8 fiscal year 2003 are provided solely for grants to food banks and food
9 distribution centers to increase their ability to accept, store, and
10 deliver perishable food.

11 (17) \$230,000 of the general fund--state appropriation for fiscal
12 year 2002, \$230,000 of the general fund--state appropriation for fiscal
13 year 2003, and the entire community economic development account
14 appropriation are provided solely for support of the developmental
15 disabilities endowment governing board and startup costs of the
16 endowment program. Startup costs are a loan from the state general
17 fund and will be repaid from funds within the program as determined by
18 the governing board. The governing board may use state appropriations
19 to implement a sliding-scale fee waiver for families earning below 150
20 percent of the state median family income. The director of the
21 department, or the director of the subsequent department of community
22 development, may implement fees to support the program as provided
23 under RCW 43.330.152.

24 (18) \$380,000 of the public safety and education account
25 appropriation is provided solely for community-based legal advocates to
26 assist sexual assault victims with both civil and criminal justice
27 issues. If Senate Bill No. 5309 is not enacted by June 30, 2001, the
28 amount provided in this subsection shall lapse.

29 (19) \$65,000 of the general fund--state appropriation for fiscal
30 year 2002 and \$65,000 of the general fund--state appropriation for
31 fiscal year 2003 are provided solely for a contract with a food
32 distribution program for communities in the southwestern portion of the
33 state and for workers impacted by timber and salmon fishing closures
34 and reductions. The department may not charge administrative overhead
35 or expenses to the funds provided in this subsection.

36 (20) \$120,000 of the general fund--state appropriation for fiscal
37 year 2002 and \$120,000 of the general fund--state appropriation for
38 fiscal year 2003 are provided solely as one-time pass-through funding
39 to currently licensed overnight youth shelters.

1 (21) Repayments of outstanding loans granted under RCW 43.63A.600,
2 the mortgage and rental assistance program, shall be remitted to the
3 department, including any current revolving account balances. The
4 department shall contract with a lender or contract collection agent to
5 act as a collection agent of the state. The lender or contract
6 collection agent shall collect payments on outstanding loans, and
7 deposit them into an interest-bearing account. The funds collected
8 shall be remitted to the department quarterly. Interest earned in the
9 account may be retained by the lender or contract collection agent, and
10 shall be considered a fee for processing payments on behalf of the
11 state. Repayments of loans granted under this chapter shall be made to
12 the lender or contract collection agent as long as the loan is
13 outstanding, notwithstanding the repeal of the chapter.

14 (22) \$75,000 of the general fund--state appropriation for fiscal
15 year 2002 and \$75,000 of the general fund--state appropriation for
16 fiscal year 2003 are provided solely for the community connections
17 program in Walla Walla.

18 NEW SECTION. **Sec. 128. FOR THE ECONOMIC AND REVENUE FORECAST**
19 **COUNCIL**

20	General Fund--State Appropriation (FY 2002) . . . \$	512,000
21	General Fund--State Appropriation (FY 2003) . . . \$	514,000
22	TOTAL APPROPRIATION \$	1,026,000

23 NEW SECTION. **Sec. 129. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

24	General Fund--State Appropriation (FY 2002) . . . \$	12,456,000
25	General Fund--State Appropriation (FY 2003) . . . \$	12,024,000
26	General Fund--Federal Appropriation \$	23,657,000
27	Violence Reduction and Drug Enforcement	
28	Account--State Appropriation \$	229,000
29	State Auditing Services Revolving	
30	Account--State Appropriation \$	25,000
31	TOTAL APPROPRIATION \$	48,391,000

32 The appropriations in this section are subject to the following
33 conditions and limitations: The office of financial management shall
34 review policies and procedures regarding purchasing of information
35 technology upgrades by state agencies. Information technology upgrades
36 include replacement workstations, network equipment, operating systems

1 and application software. The review shall document existing policies
2 and procedures, and shall compare alternative upgrade policies that
3 reduce the overall cost to state government for maintaining adequate
4 information technology to meet the existing business needs of state
5 agencies. Findings and recommendations from this review shall be
6 reported to appropriate committees of the legislature by December 1,
7 2001.

8 **NEW SECTION. Sec. 130. FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

9 Administrative Hearings Revolving Account--State

10 Appropriation \$ 21,938,000

11 **NEW SECTION. Sec. 131. FOR THE DEPARTMENT OF PERSONNEL**

12 Department of Personnel Service Account--State

13 Appropriation \$ 17,297,000

14 Higher Education Personnel Services Account--State

15 Appropriation \$ 1,636,000

16 TOTAL APPROPRIATION \$ 18,933,000

17 The appropriations in this section are subject to the following
18 conditions and limitations: The department of personnel may charge
19 agencies through the data processing revolving account up to \$561,000
20 in fiscal year 2002 to study the development of a new personnel and
21 payroll system. Funding to cover these expenses shall be realized from
22 agency FICA savings associated with the pretax benefits contributions
23 plans. Funding is subject to section 902 of this act.

24 **NEW SECTION. Sec. 132. FOR THE WASHINGTON STATE LOTTERY**

25 Lottery Administrative Account--State

26 Appropriation \$ 22,130,000

27 **NEW SECTION. Sec. 133. FOR THE COMMISSION ON HISPANIC AFFAIRS**

28 General Fund--State Appropriation (FY 2002) . . \$ 226,000

29 General Fund--State Appropriation (FY 2003) . . \$ 234,000

30 TOTAL APPROPRIATION \$ 460,000

31 **NEW SECTION. Sec. 134. FOR THE COMMISSION ON AFRICAN-AMERICAN**
32 **AFFAIRS**

33 General Fund--State Appropriation (FY 2002) . . \$ 211,000

1	General Fund--State Appropriation (FY 2003) . . . \$	209,000
2	TOTAL APPROPRIATION \$	420,000

3 NEW SECTION. **Sec. 135. FOR THE PERSONNEL APPEALS BOARD**

4	Department of Personnel Service Account--State	
5	Appropriation \$	1,679,000

6 NEW SECTION. **Sec. 136. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--**
7 **OPERATIONS**

8	Dependent Care Administrative Account--State	
9	Appropriation \$	378,000
10	Department of Retirement Systems Expense Account--	
11	State Appropriation \$	49,244,000
12	TOTAL APPROPRIATION \$	49,622,000

13 The appropriations in this section are subject to the following
14 conditions and limitations:

15 (1) \$1,000,000 of the department of retirement systems expense
16 account appropriation is provided solely for support of the information
17 systems project known as the electronic document image management
18 system.

19 (2) \$120,000 of the department of retirement systems expense
20 account appropriation is provided solely for locating inactive members
21 entitled to retirement benefits.

22 (3) \$117,000 of the department of retirement systems expense
23 account appropriation is provided solely for modifications to the
24 retirement information systems to accommodate tracking of
25 postretirement employment on an hourly basis.

26 (4) \$440,000 of the department of retirement systems expense
27 account is provided solely for the implementation of Engrossed Senate
28 Bill No. 5143 (Washington state patrol retirement systems plan 2).

29 (5) \$6,420,000 of the department of retirement systems expense
30 account is provided solely for the implementation of public employees'
31 retirement system plan 3 (chapter 247, Laws of 2000).

32 NEW SECTION. **Sec. 137. FOR THE STATE INVESTMENT BOARD**

33	State Investment Board Expense Account--State	
34	Appropriation \$	12,876,000

1 NEW SECTION. **Sec. 138. FOR THE DEPARTMENT OF REVENUE**

2	General Fund--State Appropriation (FY 2002) . . . \$	72,820,000
3	General Fund--State Appropriation (FY 2003) . . . \$	77,929,000
4	Timber Tax Distribution Account--State	
5	Appropriation \$	4,981,000
6	Waste Education/Recycling/Litter Control--State	
7	Appropriation \$	101,000
8	State Toxics Control Account--State	
9	Appropriation \$	67,000
10	Oil Spill Administration Account--State	
11	Appropriation \$	14,000
12	TOTAL APPROPRIATION \$	155,912,000

13 The appropriations in this section are subject to the following
14 conditions and limitations:

15 \$269,000 of the general fund--state appropriation for fiscal year
16 2002 and \$49,000 of the general fund--state appropriation for fiscal
17 year 2003 are provided solely to establish and provide staff support to
18 a committee on taxation to study the elasticity, equity, and adequacy
19 of the state's tax system.

20 (1) The committee shall consist of eleven members. The department
21 shall appoint six academic scholars from the fields of economics,
22 taxation, business administration, public administration, public
23 policy, and other relevant disciplines as determined by the department,
24 after consulting with the majority and minority leaders in the senate,
25 the co-speakers in the house of representatives, the chair of the ways
26 and means committee in the senate, and the co-chairs of the finance
27 committee in the house of representatives. The governor and the chairs
28 of the majority and minority caucuses in each house of the legislature
29 shall each appoint one member to the committee. These appointments may
30 be legislative members. The members of the committee shall either
31 elect a voting chair from among their membership or a nonvoting chair
32 who is not a member of the committee. Members of the committee shall
33 serve without compensation but shall be reimbursed for travel expenses
34 under RCW 43.03.050 and 43.03.060.

35 (2) The purpose of the study is to determine how well the current
36 tax system functions and how it might be changed to better serve the
37 citizens of the state in the twenty-first century. In reviewing
38 options for changes to the tax system, the committee shall develop

1 multiple alternatives to the existing tax system. To the extent
2 possible, the alternatives shall be designed to increase the harmony
3 between the tax system of this state and the surrounding states,
4 encourage commerce and business creation, and encourage home ownership.
5 In developing alternatives, the committee shall examine and consider
6 the effects of tax incentives, including exemptions, deferrals, and
7 credits. The alternatives shall range from incremental improvements in
8 the current tax structure to complete replacement of the tax structure.
9 In conducting the study, the committee shall examine the tax structures
10 of other states and review previous studies regarding tax reform in
11 this state. In developing alternatives, the committee shall be guided
12 by administrative simplicity, economic neutrality, fairness, stability,
13 and transparency. Most of the alternatives presented by the committee
14 to the legislature shall be revenue neutral and contain no income tax.

15 (3) The department shall create an advisory group to include, but
16 not be limited to, representatives of business, state agencies, local
17 governments, labor, taxpayers, and other advocacy groups. The group
18 shall provide advice and assistance to the committee.

19 (4) The committee shall present a final report of its findings and
20 alternatives to the ways and means committee in the senate and the
21 finance committee in the house of representatives by November 30, 2002.

22 NEW SECTION. **Sec. 139. FOR THE BOARD OF TAX APPEALS**

23	General Fund--State Appropriation (FY 2002) . . . \$	1,193,000
24	General Fund--State Appropriation (FY 2003) . . . \$	1,038,000
25	TOTAL APPROPRIATION \$	2,231,000

26 NEW SECTION. **Sec. 140. FOR THE MUNICIPAL RESEARCH COUNCIL**

27	City and Town Research Services Account--	
28	State Appropriation \$	3,814,000
29	County Research Services Account--State	
30	Appropriation \$	761,000
31	TOTAL APPROPRIATION \$	4,575,000

32 NEW SECTION. **Sec. 141. FOR THE OFFICE OF MINORITY AND WOMEN'S**
33 **BUSINESS ENTERPRISES**

34	OMWBE Enterprises Account--State	
35	Appropriation \$	2,616,000

1 NEW SECTION. **Sec. 142. FOR THE DEPARTMENT OF GENERAL**

2 **ADMINISTRATION**

3	General Fund--State Appropriation (FY 2002) . . . \$	549,000
4	General Fund--State Appropriation (FY 2003) . . . \$	630,000
5	General Fund--Federal Appropriation \$	1,930,000
6	General Fund--Private/Local Appropriation . . . \$	444,000
7	State Capitol Vehicle Parking Account--	
8	State Appropriation \$	154,000
9	General Administration Services Account--State	
10	Appropriation \$	41,419,000
11	TOTAL APPROPRIATION \$	45,126,000

12 The appropriations in this section are subject to the following
13 conditions and limitations:

14 (1) The department shall conduct a review of the ultimate
15 purchasing system to evaluate the following: (a) The degree to which
16 program objectives and assumptions were achieved; (b) the degree to
17 which planned schedule of phases, tasks, and activities were
18 accomplished; (c) an assessment of estimated and actual costs of each
19 phase; (d) an assessment of project cost recovery/cost avoidance,
20 return on investment, and measurable outcomes as each relate to the
21 agency's business functions and other agencies' business functions; and
22 (e) the degree to which integration with the agency and state
23 information technology infrastructure was achieved. The department
24 will receive written input from participating pilot agencies that
25 describes measurable organizational benefits and cost avoidance
26 opportunities derived from use of the ultimate purchasing system. The
27 performance review shall be submitted to the office of financial
28 management and the appropriate legislative fiscal committees by July 1,
29 2002.

30 (2) \$60,000 of the general administration services account
31 appropriation is provided solely for costs associated with the
32 development of the information technology architecture to link the risk
33 management information system and the tort division's case management
34 system, and the reconciliation of defense cost reimbursement
35 information.

36 NEW SECTION. **Sec. 143. FOR THE DEPARTMENT OF INFORMATION SERVICES**

37 Data Processing Revolving Account--State

1 Appropriation \$ 3,706,000

2 The appropriation in this section is subject to the following
3 conditions and limitations:

4 (1) Fifteen independent private, nonprofit colleges, located in
5 Washington state, have requested connection to the K-20 educational
6 telecommunications network. These K-20 connections shall be provided
7 to the private schools on a full cost reimbursement basis, net of the
8 value of services and information provided by the private institutions,
9 based on criteria approved by the K-20 board.

10 (2) Some private K-12 schools have requested limited "pilot
11 connections" to the K-20 network to test the technical and economic
12 feasibility of one or more connection models. These K-20 connections
13 shall be provided to the private K-12 schools on a full cost
14 reimbursement basis, net of the value of services and information
15 provided by the private K-12 schools based on criteria approved by the
16 K-20 board.

17 (3) In the 2001-03 biennium, the department shall incorporate
18 statewide elements for a common technology infrastructure into the
19 state strategic information technology plan that state agencies shall
20 then use in establishing individual agency business applications.

21 (4) The department shall implement the \$10,800,000 service rate
22 reduction it proposed on August 14, 2000.

23 NEW SECTION. **Sec. 144. FOR THE INSURANCE COMMISSIONER**

24 General Fund--Federal Appropriation \$ 622,000

25 Insurance Commissioners Regulatory Account--State

26 Appropriation \$ 29,053,000

27 TOTAL APPROPRIATION \$ 29,675,000

28 The appropriations in this section are subject to the following
29 conditions and limitations: \$693,000 of the insurance commissioner's
30 regulatory account appropriation is provided solely for moving and
31 renovation costs associated with the colocation of the agency's
32 Olympia-area facilities. Expenditures from this amount shall be
33 subject to the approval of the department of general administration.

34 NEW SECTION. **Sec. 145. FOR THE BOARD OF ACCOUNTANCY**

35 Certified Public Accountants' Account--State

36 Appropriation \$ 1,716,000

The appropriation in this section is subject to the following conditions and limitations: \$355,000 of the certified public accountants' account appropriation is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5593 (public accountancy act). If the bill is not enacted by June 30, 2001, this amount shall lapse. During fiscal years 2002 and 2003, the board is authorized to increase fees in excess of the fiscal growth factor pursuant to RCW 43.135.055.

NEW SECTION. Sec. 146. FOR THE FORENSIC INVESTIGATION COUNCIL
Death Investigations Account--State

Appropriation	\$	276,000
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The appropriation in this section is subject to the following conditions and limitations: \$250,000 of the death investigation account appropriation is provided solely for providing financial assistance to local jurisdictions in multiple death investigations. The forensic investigation council shall develop criteria for awarding these funds for multiple death investigations involving an unanticipated, extraordinary, and catastrophic event or those involving multiple jurisdictions.

NEW SECTION. Sec. 147. FOR THE HORSE RACING COMMISSION
Horse Racing Commission Account--State

Appropriation	\$	4,504,000
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NEW SECTION. Sec. 148. FOR THE LIQUOR CONTROL BOARD

General Fund--State Appropriation (FY 2002) . . .	\$	1,483,000
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General Fund--State Appropriation (FY 2003) . . .	\$	1,484,000
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Liquor Control Board Construction and Maintenance

Account--State Appropriation	\$	8,114,000
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Liquor Revolving Account--State

Appropriation	\$	142,148,000
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TOTAL APPROPRIATION	\$	153,229,000
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The appropriations in this section are subject to the following conditions and limitations:

(1) \$1,573,000 of the liquor revolving account appropriation is provided solely for the agency information technology upgrade. This

amount provided in this subsection is conditioned upon satisfying the requirements of section 902 of this act.

(2) \$4,803,000 of the liquor revolving account appropriation is provided solely for the costs associated with the development and implementation of a merchandising business system. Expenditures of any funds for this system are conditioned upon the approval of the merchandising business system's feasibility study by the information services board. The amount provided in this subsection is also conditioned upon satisfying the requirements of section 902 of this act.

NEW SECTION. Sec. 149. FOR THE UTILITIES AND TRANSPORTATION COMMISSION

Public Service Revolving Account--State

Appropriation	\$	27,108,000
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Pipeline Safety Account--State

Appropriation	\$	3,305,000
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Pipeline Safety Account--Federal

Appropriation	\$	822,000
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TOTAL APPROPRIATION	\$	31,235,000
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The appropriations in this section are subject to the following conditions and limitations:

(1) \$3,011,000 of the pipeline safety account--state appropriation and \$822,000 of the pipeline safety account--federal appropriation are provided solely for the implementation of Substitute Senate Bill No. 5182 (pipeline safety). If the bill is not enacted by June 30, 2001, the amount provided in this subsection shall lapse.

(2) \$294,000 of the pipeline safety account--state appropriation is provided solely for an interagency agreement with the joint legislative audit and review committee for a report on hazardous liquid and gas pipeline safety programs. The committee shall review staff use, inspection activity, fee methodology, and costs of the hazardous liquid and gas pipeline safety programs and report to the appropriate legislative committees by July 1, 2003. The report shall include a comparison of interstate and intrastate programs, including but not limited to the number and complexity of regular and specialized inspections, mapping requirements for each program, and allocation of administrative costs to each program. If Substitute Senate Bill No.

1 5182 (pipeline safety) is not enacted by June 30, 2001, the amount
2 provided in this section shall lapse.

3 NEW SECTION. **Sec. 150. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**

4 Volunteer Firefighters' Relief and Pension

5 Administrative Account--State

6 Appropriation \$ 569,000

7 NEW SECTION. **Sec. 151. FOR THE MILITARY DEPARTMENT**

8 General Fund--State Appropriation (FY 2002) . . \$ 9,165,000

9 General Fund--State Appropriation (FY 2003) . . \$ 8,979,000

10 General Fund--Federal Appropriation \$ 22,509,000

11 General Fund--Private/Local Appropriation . . . \$ 234,000

12 Enhanced 911 Account--State Appropriation . . . \$ 16,544,000

13 Disaster Response Account--State Appropriation \$ 582,000

14 Disaster Response Account--Federal Appropriation \$ 3,392,000

15 Worker and Community Right to Know Fund--State

16 Appropriation \$ 283,000

17 Nisqually Earthquake Account--State

18 Appropriation \$ 37,884,000

19 Nisqually Earthquake Account--Federal

20 Appropriation \$ 157,795,000

21 TOTAL APPROPRIATION \$ 257,367,000

22 The appropriations in this section are subject to the following
23 conditions and limitations:

24 (1) \$582,000 of the disaster response account--state appropriation
25 is provided solely for the state share of response and recovery costs
26 associated with federal emergency management agency (FEMA) disasters
27 approved in the 1999-01 biennium budget. The military department may,
28 upon approval of the director of financial management, use portions of
29 the disaster response account--state appropriation to offset costs of
30 new disasters occurring before June 30, 2003. The military department
31 shall submit a report quarterly to the office of financial management
32 and the legislative fiscal committees detailing disaster costs,
33 including: (a) Estimates of total costs; (b) incremental changes from
34 the previous estimate; (c) actual expenditures; (d) estimates of total
35 remaining costs to be paid; and (d) estimates of future payments by
36 biennium. This information shall be displayed by individual disaster,

1 by fund, and by type of assistance. The military department shall also
2 submit a report quarterly to the office of financial management and the
3 legislative fiscal committees detailing information on the disaster
4 response account, including: (a) The amount and type of deposits into
5 the account; (b) the current available fund balance as of the reporting
6 date; and (c) the projected fund balance at the end of the 2001-03
7 biennium based on current revenue and expenditure patterns.

8 (2) \$100,000 of the general fund--state fiscal year 2002
9 appropriation and \$100,000 of the general fund--state fiscal year 2003
10 appropriation are provided solely for implementation of the conditional
11 scholarship program pursuant to chapter 28B.103 RCW.

12 (3) \$60,000 of the general fund--state appropriation for fiscal
13 year 2002 and \$60,000 of the general fund--state appropriation for
14 fiscal year 2003 are provided solely for the implementation of Senate
15 Bill No. 5256 (emergency management compact). If the bill is not
16 enacted by June 30, 2001, the amounts provided in this subsection shall
17 lapse.

18 (4) \$35,000 of the general fund--state fiscal year 2002
19 appropriation and \$35,000 of the general fund--state fiscal year 2003
20 appropriation are provided solely for the north county emergency
21 medical service.

22 (5) \$1,374,000 of the Nisqually earthquake account--state
23 appropriation and \$3,861,000 of the Nisqually earthquake account--
24 federal appropriation are provided solely for the military department's
25 costs associated with coordinating the state's response to the February
26 28, 2001, earthquake.

27 (6) \$1,347,000 of the Nisqually earthquake account--state
28 appropriation and \$5,359,000 of the Nisqually earthquake account--
29 federal appropriation are provided solely for mitigation costs
30 associated with the earthquake for state and local agencies. Of the
31 amount from the Nisqually earthquake account--state appropriation,
32 \$898,000 is provided for the state matching share for state agencies
33 and \$449,000 is provided for one-half of the local matching share for
34 local entities. The amount provided for the local matching share
35 constitutes a revenue distribution for purposes of RCW 43.135.060(1).

36 (7) \$35,163,000 of the Nisqually earthquake account--state
37 appropriation and \$148,575,000 of the Nisqually earthquake account--
38 federal appropriation are provided solely for public assistance costs
39 associated with the earthquake for state and local agencies. Of the

1 amount from the Nisqually earthquake account--state appropriation,
2 \$20,801,000 is provided for the state matching share for state agencies
3 and \$14,362,000 is provided for one-half of the local matching share
4 for local entities. The amount provided for the local matching share
5 constitutes a revenue distribution for purposes of RCW 43.135.060(1).
6 Upon approval of the director of the office of financial management,
7 the military department may use portions of the Nisqually earthquake
8 account--state appropriations to cover other response and recovery
9 costs associated with the Nisqually earthquake that are not eligible
10 for federal emergency management agency reimbursement. The military
11 department is to submit a quarterly report detailing the costs
12 authorized under this subsection to the office of financial management
13 and the legislative fiscal committees.

14 NEW SECTION. **Sec. 152. FOR THE PUBLIC EMPLOYMENT RELATIONS**
15 **COMMISSION**

16	General Fund--State Appropriation (FY 2002) . . . \$	2,154,000
17	General Fund--State Appropriation (FY 2003) . . . \$	2,164,000
18	TOTAL APPROPRIATION \$	4,318,000

19 NEW SECTION. **Sec. 153. FOR THE GROWTH PLANNING HEARINGS BOARD**

20	General Fund--State Appropriation (FY 2002) . . . \$	1,497,000
21	General Fund--State Appropriation (FY 2003) . . . \$	1,506,000
22	TOTAL APPROPRIATION \$	3,003,000

23 NEW SECTION. **Sec. 154. FOR THE STATE CONVENTION AND TRADE CENTER**

24	State Convention and Trade Center Operating	
25	Account--State Appropriation \$	37,848,000
26	State Convention and Trade Center Account--State	
27	Appropriation \$	29,886,000
28	TOTAL APPROPRIATION \$	67,734,000

29 (End of part)

PART II
HUMAN SERVICES

NEW SECTION. **Sec. 201. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES.** (1) Appropriations made in this act to the department of social and health services shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act except as expressly provided in this act, nor shall allotment modifications permit moneys that are provided solely for a specified purpose to be used for other than that purpose, except as expressly provided in subsection (3) of this section.

(2) The department of social and health services shall not initiate any services that will require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation providing appropriation authority, and an equal amount of appropriated state general fund moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(3) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act.

(4) In the event the department receives additional unrestricted federal funds or achieves savings in excess of that anticipated in this act, the department shall use up to \$5,000,000 of such funds to initiate a pilot project providing integrated support services to homeless individuals needing mental health services, alcohol or substance abuse treatment, medical care, or who demonstrate community

1 safety concerns. Before such a pilot project is initiated, the
2 department shall notify the fiscal committees of the legislature of the
3 plans for such a pilot project including the source of funds to be
4 used.

5 NEW SECTION. **Sec. 202. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
6 **SERVICES--CHILDREN AND FAMILY SERVICES PROGRAM**

7	General Fund--State Appropriation (FY 2002) . . . \$	225,789,000
8	General Fund--State Appropriation (FY 2003) . . . \$	239,013,000
9	General Fund--Federal Appropriation \$	372,408,000
10	General Fund--Private/Local Appropriation . . . \$	400,000
11	Public Safety and Education Account--	
12	State Appropriation \$	987,000
13	Violence Reduction and Drug Enforcement Account--	
14	State Appropriation \$	5,702,000
15	TOTAL APPROPRIATION \$	844,299,000

16 The appropriations in this section are subject to the following
17 conditions and limitations:

18 (1) \$2,237,000 of the fiscal year 2002 general fund--state
19 appropriation, \$2,288,000 of the fiscal year 2003 general fund--state
20 appropriation, and \$1,590,000 of the general fund--federal
21 appropriation are provided solely for the category of services titled
22 "intensive family preservation services."

23 (2) \$685,000 of the general fund--state fiscal year 2002
24 appropriation and \$701,000 of the general fund--state fiscal year 2003
25 appropriation are provided to contract for the operation of one
26 pediatric interim care facility. The facility shall provide
27 residential care for up to thirteen children through two years of age.
28 Seventy-five percent of the children served by the facility must be in
29 need of special care as a result of substance abuse by their mothers.
30 The facility shall also provide on-site training to biological,
31 adoptive, or foster parents. The facility shall provide at least three
32 months of consultation and support to parents accepting placement of
33 children from the facility. The facility may recruit new and current
34 foster and adoptive parents for infants served by the facility. The
35 department shall not require case management as a condition of the
36 contract.

1 (3) \$524,000 of the general fund--state fiscal year 2002
2 appropriation and \$536,000 of the general fund--state fiscal year 2003
3 appropriation are provided for up to three nonfacility-based programs
4 for the training, consultation, support, and recruitment of biological,
5 foster, and adoptive parents of children through age three in need of
6 special care as a result of substance abuse by their mothers, except
7 that each program may serve up to three medically fragile nonsubstance-
8 abuse-affected children. In selecting nonfacility-based programs,
9 preference shall be given to programs whose federal or private funding
10 sources have expired or that have successfully performed under the
11 existing pediatric interim care program.

12 (4) \$1,260,000 of the fiscal year 2002 general fund--state
13 appropriation, \$1,248,000 of the fiscal year 2003 general fund--state
14 appropriation, and \$4,196,000 of the violence reduction and drug
15 enforcement account appropriation are provided solely for the family
16 policy council and community public health and safety networks. The
17 funding level for the family policy council and community public health
18 and safety networks represents a 25 percent reduction below the funding
19 level for the 1999-2001 biennium. Funding levels shall be reduced 25
20 percent for both the family policy council and network grants.
21 Reductions to network grants shall be allocated so as to maintain
22 current funding levels, to the greatest extent possible, for projects
23 with the strongest evidence of positive outcomes and for networks with
24 substantial compliance with contracts for network grants.

25 (5) \$2,215,000 of the fiscal year 2002 general fund--state
26 appropriation, \$4,394,000 of the fiscal year 2003 general fund--state
27 appropriation, and \$5,604,000 of the general fund--federal
28 appropriation are provided solely for reducing the average caseload
29 level per case-carrying social worker. Average caseload reductions are
30 intended to increase the amount of time social workers spend in direct
31 contact with the children, families, and foster parents involved with
32 their open cases. The department shall use some of the funds provided
33 in several local offices to increase staff that support case-carrying
34 social workers in ways that will allow social workers to increase
35 direct contact time with children, families, and foster parents. To
36 achieve the goal of reaching an average caseload ratio of 1:24 by the
37 end of fiscal year 2003, the department shall develop a plan for
38 redeploying 30 FTEs to case-carrying social worker and support
39 positions from other areas in the children and family services budget.

1 The FTE redeployment plan shall be submitted to the fiscal committees
2 of the legislature by December 1, 2001.

3 (6) \$1,000,000 of the fiscal year 2002 general fund--state
4 appropriation and \$1,000,000 of the fiscal year 2003 general fund--
5 state appropriation are provided solely for increasing foster parent
6 respite care services that improve the retention of foster parents and
7 increase the stability of foster placements. The department shall
8 report quarterly to the appropriate committees of the legislature
9 progress against appropriate baseline measures for foster parent
10 retention and stability of foster placements.

11 (7) \$1,050,000 of the general fund--federal appropriation is
12 provided solely for increasing kinship care placements for children who
13 otherwise would likely be placed in foster care. These funds shall be
14 used for extraordinary costs incurred by relatives at the time of
15 placement, or for extraordinary costs incurred by relatives after
16 placement if such costs would likely cause a disruption in the kinship
17 care placement. \$50,000 of the funds provided shall be contracted to
18 the Washington institute for public policy to conduct a study of
19 kinship care placements. The study shall examine the prevalence and
20 needs of families who are raising related children and shall compare
21 services and policies of Washington state with other states that have
22 a higher rate of kinship care placements in lieu of foster care
23 placements. The study shall identify possible changes in services and
24 policies that are likely to increase appropriate kinship care
25 placements.

26 (8) \$3,386,000 of the fiscal year 2002 general fund--state
27 appropriation, \$7,671,000 of the fiscal year 2003 general fund--state
28 appropriation, and \$20,819,000 of the general fund--federal
29 appropriation are provided solely for increases in the cost per case
30 for foster care and adoption support. \$16,000,000 of the general
31 fund--federal amount shall remain unallotted until the office of
32 financial management approves a plan submitted by the department to
33 achieve a higher rate of federal earnings in the foster care program.
34 That plan shall also be submitted to the fiscal committees of the
35 legislature and shall indicate projected federal revenue compared to
36 actual fiscal year 2001 levels. Within the amounts provided for foster
37 care, the department shall increase the basic rate for foster care to
38 an average of \$420 per month on July 1, 2001, and to an average of \$440
39 per month on July 1, 2002. The department shall use the remaining

funds provided in this subsection to pay for increases in the cost per case for foster care and adoption support. The department shall seek to control rate increases and reimbursement decisions for foster care and adoption support cases such that the cost per case for family foster care, group care, receiving homes, and adoption support does not exceed the amount assumed in the projected caseload expenditures plus the amounts provided in this subsection.

(9) \$1,767,000 of the general fund--state appropriation for fiscal year 2002, \$2,461,000 of the general fund--state appropriation for fiscal year 2003, and \$1,485,000 of the general fund--federal appropriation are provided solely for rate and capacity increases for child placing agencies. Child placing agencies shall increase their capacity by 15 percent in fiscal year 2002 and 30 percent in fiscal year 2003.

(10) The department shall provide secure crisis residential facilities across the state in a manner that: (a) Retains geographic provision of these services; and (b) retains beds in high use areas.

(11) \$125,000 of the general fund--state appropriation for fiscal year 2002 and \$125,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for a foster parent retention program. This program is directed at foster parents caring for children who act out sexually, as described in House Bill No. 1525 (foster parent retention program).

NEW SECTION. Sec. 203. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE REHABILITATION PROGRAM

(1) COMMUNITY SERVICES

General Fund--State Appropriation (FY 2002) . . .	\$	35,248,000
General Fund--State Appropriation (FY 2003) . . .	\$	36,456,000
General Fund--Federal Appropriation	\$	14,609,000
General Fund--Private/Local Appropriation . . .	\$	380,000
Juvenile Accountability Incentive		
Account--Federal Appropriation	\$	9,361,000
Public Safety and Education		
Account--State Appropriation	\$	6,196,000
Violence Reduction and Drug Enforcement Account--		
State Appropriation	\$	21,972,000
TOTAL APPROPRIATION	\$	124,222,000

1 The appropriations in this subsection are subject to the following
2 conditions and limitations:

3 (a) \$686,000 of the violence reduction and drug enforcement account
4 appropriation is provided solely for deposit in the county criminal
5 justice assistance account for costs to the criminal justice system
6 associated with the implementation of chapter 338, Laws of 1997
7 (juvenile code revisions). The amounts provided in this subsection are
8 intended to provide funding for county adult court costs associated
9 with the implementation of chapter 338, Laws of 1997 and shall be
10 distributed in accordance with RCW 82.14.310.

11 (b) \$5,980,000 of the violence reduction and drug enforcement
12 account appropriation is provided solely for the implementation of
13 chapter 338, Laws of 1997 (juvenile code revisions). The amounts
14 provided in this subsection are intended to provide funding for county
15 impacts associated with the implementation of chapter 338, Laws of 1997
16 and shall be distributed to counties as prescribed in the current
17 consolidated juvenile services (CJS) formula.

18 (c) \$1,161,000 of the general fund--state appropriation for fiscal
19 year 2002, \$1,162,000 of the general fund--state appropriation for
20 fiscal year 2003, and \$5,190,000 of the violence reduction and drug
21 enforcement account appropriation are provided solely to implement
22 community juvenile accountability grants pursuant to chapter 338, Laws
23 of 1997 (juvenile code revisions). Funds provided in this subsection
24 may be used solely for community juvenile accountability grants,
25 administration of the grants, and evaluations of programs funded by the
26 grants.

27 (d) \$2,515,000 of the violence reduction and drug enforcement
28 account appropriation is provided solely to implement alcohol and
29 substance abuse treatment programs for locally committed offenders.
30 The juvenile rehabilitation administration shall award these moneys on
31 a competitive basis to counties that submitted a plan for the provision
32 of services approved by the division of alcohol and substance abuse.
33 The juvenile rehabilitation administration shall develop criteria for
34 evaluation of plans submitted and a timeline for awarding funding and
35 shall assist counties in creating and submitting plans for evaluation.

36 (e) \$100,000 of the general fund--state appropriation for fiscal
37 year 2002 and \$100,000 of the general fund--state appropriation for
38 fiscal year 2003 are provided solely for juvenile rehabilitation
39 administration to contract with the institute for public policy for

responsibilities assigned in chapter 338, Laws of 1997 (juvenile code revisions).

(f) \$100,000 of the general fund--state appropriation for fiscal year 2002 and \$100,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for a contract for expanded services of the teamchild project.

(g) \$423,000 of the general fund--state appropriation for fiscal year 2002, \$924,000 of the general fund--state appropriation for fiscal year 2003, \$174,000 of the general fund--federal appropriation, \$196,000 of the public safety and education assistance account appropriation, and \$690,000 of the violence reduction and drug enforcement account appropriation are provided solely to increase payment rates for contracted service providers.

(h) \$16,000 of the general fund--state appropriation for fiscal year 2002 and \$16,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the implementation of chapter 167, Laws of 1999 (firearms on school property). The amounts provided in this subsection are intended to provide funding for county impacts associated with the implementation of chapter 167, Laws of 1999, and shall be distributed to counties as prescribed in the current consolidated juvenile services (CJS) formula.

(i) \$3,441,000 of the general fund--state appropriation for fiscal year 2002 and \$3,441,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for distribution to county juvenile court administrators to fund the costs of processing truancy, children in need of services, and at-risk youth petitions. The department shall not retain any portion of these funds to cover administrative or any other departmental costs. The department, in conjunction with the juvenile court administrators, shall develop an equitable funding distribution formula. The formula shall neither reward counties with higher than average per-petition processing costs nor shall it penalize counties with lower than average per-petition processing costs.

(j) \$6,000,000 of the public safety and education account--state appropriation is provided solely for distribution to county juvenile court administrators to fund the costs of processing truancy, children in need of services, and at-risk youth petitions. To the extent that distributions made under (i) and (j) of this subsection and pursuant to section 801 of this act exceed actual costs of processing truancy,

1 children in need of services, and at-risk youth petitions, the
2 department, in consultation with the respective juvenile court
3 administrator and the county, may approve expenditure of funds provided
4 in this subsection on other costs of the civil or criminal justice
5 system. When this occurs, the department shall notify the office of
6 financial management and the legislative fiscal committees. The
7 department shall not retain any portion of these funds to cover
8 administrative or any other departmental costs. The department, in
9 conjunction with the juvenile court administrators, shall develop an
10 equitable funding distribution formula. The formula shall neither
11 reward counties with higher than average per-petition processing costs
12 nor shall it penalize counties with lower than average per-petition
13 processing costs.

14 (k) The distributions made under (i) and (j) of this subsection and
15 distributions from the county criminal justice assistance account made
16 pursuant to section 801 of this act constitute appropriate
17 reimbursement for costs for any new programs or increased level of
18 service for purposes of RCW 43.135.060.

19 (l) Each quarter during the 2001-03 fiscal biennium, each county
20 shall report the number of petitions processed and the total actual
21 costs of processing the petitions in each of the following categories:
22 Truancy, children in need of services, and at-risk youth. Counties
23 shall submit the reports to the department no later than 45 days after
24 the end of the quarter. The department shall forward this information
25 to the chair and ranking minority member of the house of
26 representatives appropriations committee and the senate ways and means
27 committee no later than 60 days after a quarter ends. These reports
28 are deemed informational in nature and are not for the purpose of
29 distributing funds.

30 (m) \$1,692,000 of the juvenile accountability incentive account--
31 federal appropriation is provided solely for the continued
32 implementation of a pilot program to provide for postrelease planning
33 and treatment of juvenile offenders with co-occurring disorders.

34 (n) \$22,000 of the violence reduction and drug enforcement account
35 appropriation is provided solely for the evaluation of the juvenile
36 offender co-occurring disorder pilot program implemented pursuant to
37 (m) of this subsection.

38 (o) \$900,000 of the general fund--state appropriation for fiscal
39 year 2002 and \$900,000 of the general fund--state appropriation for

fiscal year 2003 are provided solely for the continued implementation of the juvenile violence prevention grant program established in section 204, chapter 309, Laws of 1999.

(p) \$33,000 of the general fund--state appropriation for fiscal year 2002 and \$29,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the implementation of House Bill No. 1070 (juvenile offender basic training). If the bill is not enacted by June 30, 2001, the amounts provided in this subsection shall lapse.

(q) \$21,000 of the general fund--state appropriation for fiscal year 2002 and \$42,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the implementation of Senate Bill No. 5468 (chemical dependency). If the bill is not enacted by June 30, 2001, the amounts provided in this subsection shall lapse.

(r) The juvenile rehabilitation administration, in consultation with the juvenile court administrators, may agree on a formula to allow the transfer of funds among amounts appropriated for consolidated juvenile services, community juvenile accountability act grants, the chemically dependent disposition alternative, and the special sex offender disposition alternative.

(2) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 2002)	\$	47,565,000
General Fund--State Appropriation (FY 2003)	\$	49,695,000
General Fund--Federal Appropriation	\$	14,000
General Fund--Private/Local Appropriation	\$	740,000
Violence Reduction and Drug Enforcement Account--		
State Appropriation	\$	15,280,000
TOTAL APPROPRIATION	\$	113,294,000

The appropriations in this subsection are subject to the following conditions and limitations: \$40,000 of the general fund--state appropriation for fiscal year 2002 and \$84,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to increase payment rates for contracted service providers.

(3) PROGRAM SUPPORT

General Fund--State Appropriation (FY 2002)	\$	1,738,000
General Fund--State Appropriation (FY 2003)	\$	1,765,000
General Fund--Federal Appropriation	\$	307,000

1	Juvenile Accountability Incentive Account--Federal	
2	Appropriation	\$ 1,100,000
3	Violence Reduction and Drug Enforcement Account--	
4	State Appropriation	\$ 421,000
5	TOTAL APPROPRIATION	\$ 5,331,000

6 NEW SECTION. **Sec. 204. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
7 **SERVICES--MENTAL HEALTH PROGRAM**

8	(1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS	
9	General Fund--State Appropriation (FY 2002) . .	\$ 191,089,000
10	General Fund--State Appropriation (FY 2003) . .	\$ 194,884,000
11	General Fund--Federal Appropriation	\$ 339,077,000
12	General Fund--Local Appropriation	\$ 4,363,000
13	Health Services Account--State	
14	Appropriation	\$ 2,450,000
15	TOTAL APPROPRIATION	\$ 731,863,000

16 The appropriations in this subsection are subject to the following
17 conditions and limitations:

18 (a) Regional support networks shall use portions of the general
19 fund--state appropriation for implementation of working agreements with
20 the vocational rehabilitation program which will maximize the use of
21 federal funding for vocational programs.

22 (b) From the general fund--state appropriations in this subsection,
23 the secretary of social and health services shall assure that regional
24 support networks reimburse the aging and adult services program for the
25 general fund--state cost of medicaid personal care services that
26 enrolled regional support network consumers use because of their
27 psychiatric disability.

28 (c) \$388,000 of the general fund--state appropriation for fiscal
29 year 2002, \$1,927,000 of the general fund--state appropriation for
30 fiscal year 2003, and \$2,349,000 of the general fund--federal
31 appropriation are provided solely for development and operation of
32 community residential and support services for persons whose treatment
33 needs would be better served by, but which comprise substantial
34 barriers to, community placement. In the event that enough patients
35 are not transitioned or diverted from the state hospitals to close at
36 least two hospital wards by July 2002, and two additional wards by
37 April 2003, a proportional share of these funds shall be transferred to

1 the appropriations in subsection (2) of this section to support
2 continued care of the patients in the state hospitals. Primary
3 responsibility and accountability for provision of appropriate
4 community support for persons placed with these funds shall reside with
5 the mental health program and the regional support networks, with
6 partnership and active support from the alcohol and substance abuse and
7 from the aging and adult services programs. The department shall
8 negotiate performance-based incentive contracts with those regional
9 support networks which have the most viable plans for providing
10 appropriate community support services for significant numbers of
11 persons from their area who would otherwise be served in the state
12 hospitals. The funds appropriated in this subsection shall not be
13 considered "available resources" as defined in RCW 71.24.025 and are
14 not subject to the standard allocation formula applied in accordance
15 with RCW 71.24.035(13)(a).

16 (d) At least \$1,000,000 of the federal block grant funding
17 appropriated in this subsection shall be used for (i) initial
18 development, training, and operation of the community support teams
19 which will work with long-term state hospital residents prior and
20 subsequent to their return to the community; and (ii) development of
21 support strategies which will reduce the unnecessary and excessive use
22 of state and local hospitals for short-term crisis stabilization
23 services. Such strategies may include training and technical
24 assistance to community long-term care and substance abuse providers;
25 the development of diversion beds and stabilization support teams;
26 examination of state hospital policies regarding admissions; and the
27 development of new contractual standards to assure that the statutory
28 requirement that 85 percent of short-term detentions be managed locally
29 is being fulfilled. The department shall report to the fiscal and
30 policy committees of the legislature on the results of these efforts by
31 November 1, 2001, and again by November 1, 2002.

32 (e) The department is authorized to implement a new formula for
33 allocating available resources among the regional support networks.
34 The distribution formula shall use the number of persons eligible for
35 the state medical programs funded under chapter 74.09 RCW as the
36 measure of the requirement for the number of acutely mentally ill,
37 chronically mentally ill, severely emotionally disturbed children, and
38 seriously disturbed in accordance with RCW 71.24.035(13)(a). The new
39 formula shall be phased in over a period of no less than six years.

1 Furthermore, the department shall increase the medicaid capitation
2 rates which a regional support network would otherwise receive under
3 the formula by an amount sufficient to assure that total funding
4 allocated to the regional support network in fiscal year 2002 increases
5 by up to 2.1 percent over the amount actually paid to that regional
6 support network in fiscal year 2001, and by up to an additional 2.3
7 percent in fiscal year 2003, if total funding to the regional support
8 network would otherwise increase by less than those percentages under
9 the new formula, and provided that the nonfederal share of the higher
10 medicaid payment rate is provided by the regional support network from
11 local funds.

12 (f) Within funds appropriated in this subsection, the department
13 shall contract with the Clark county regional support network for
14 development and operation of a project demonstrating collaborative
15 methods for providing intensive mental health services in the school
16 setting for severely emotionally disturbed children who are medicaid
17 eligible. Project services are to be delivered by teachers and
18 teaching assistants who qualify as, or who are under the supervision
19 of, mental health professionals meeting the requirements of chapter
20 275-57 WAC. The department shall increase medicaid payments to the
21 regional support network by the amount necessary to cover the necessary
22 and allowable costs of the demonstration, not to exceed the upper
23 payment limit specified for the regional support network in the
24 department's medicaid waiver agreement with the federal government
25 after meeting all other medicaid spending requirements assumed in this
26 subsection. The regional support network shall provide the department
27 with (i) periodic reports on project service levels, methods, and
28 outcomes; and (ii) an intergovernmental transfer equal to the state
29 share of the increased medicaid payment provided for operation of this
30 project.

31 (g) The health services account appropriation is provided solely
32 for implementation of strategies which the department and the affected
33 regional support networks conclude will best assure continued
34 availability of community-based inpatient psychiatric services in all
35 areas of the state. Such strategies may include, but are not limited
36 to, emergency contracts for continued operation of inpatient facilities
37 otherwise at risk of closure because of demonstrated uncompensated
38 care; start-up grants for development of evaluation and treatment
39 facilities; and increases in the rate paid for inpatient psychiatric

1 services for medically indigent and/or general assistance for the
2 unemployed patients. The funds provided in this subsection must be:
3 (i) Prioritized for use in those areas of the state which are at
4 greatest risk of lacking sufficient inpatient psychiatric treatment
5 capacity, rather than being distributed on a formula basis; (ii)
6 prioritized for use by those hospitals which do not receive low-income
7 disproportionate share hospital payments as of the date of application
8 for funding; and (iii) matched on a one-quarter local, three-quarters
9 state basis by funding from the regional support network or networks in
10 the area in which the funds are expended. Payments from the amount
11 provided in this subsection shall not be made to any provider that has
12 not agreed that, except for prospective rate increases, the payment
13 shall offset, on a dollar-for-dollar basis, any liability that may be
14 established against, or any settlement that may be agreed to by the
15 state, regarding the rate of state reimbursement for inpatient
16 psychiatric care. The funds provided in this subsection shall not be
17 considered "available resources" as defined in RCW 71.24.025 and are
18 not subject to the distribution formula established pursuant to RCW
19 71.24.035.

20 (2) INSTITUTIONAL SERVICES

21	General Fund--State Appropriation (FY 2002) . . . \$	85,836,000
22	General Fund--State Appropriation (FY 2003) . . . \$	83,001,000
23	General Fund--Federal Appropriation \$	139,098,000
24	General Fund--Private/Local Appropriation . . . \$	29,289,000
25	TOTAL APPROPRIATION \$	337,224,000

26 The appropriations in this subsection are subject to the following
27 conditions and limitations:

28 (a) The state mental hospitals may use funds appropriated in this
29 subsection to purchase goods and supplies through hospital group
30 purchasing organizations when it is cost-effective to do so.

31 (b) The mental health program at Western state hospital shall
32 continue to use labor provided by the Tacoma prerelease program of the
33 department of corrections.

34 (c) The department shall seek to reduce the census of the two state
35 psychiatric hospitals by 120 beds by April 2003 by arranging and
36 providing community residential, mental health, and other support
37 services for long-term state hospital patients whose treatment needs
38 would be better served by a community placement. No such patient is to

1 move from the hospital until a team of community professionals has
2 become familiar with the person and their treatment plan; assessed
3 their strengths, preferences, and needs; arranged a safe, clinically-
4 appropriate, and stable place for them to live; assured that other
5 needed medical, behavioral, and social services are in place; and is
6 contracted to monitor the person's progress on an ongoing basis. The
7 department and the regional support networks shall endeavor to assure
8 that hospital patients are able to return to their area of origin, and
9 that placements are not concentrated in proximity to the hospitals.

10 (d) For each month subsequent to the month in which a state
11 hospital bed has been closed in accordance with (c) of this subsection,
12 the mental health program shall transfer to the medical assistance
13 program state funds equal to the state share of the monthly per capita
14 expenditure amount estimated for categorically needy-disabled persons
15 in the most recent forecast of medical assistance expenditures.

16 (e) The department shall report to the appropriate committees of
17 the legislature by November 1, 2001, and by November 1, 2002, on its
18 plans for and progress toward achieving the objectives set forth in (c)
19 of this subsection.

20 (3) CIVIL COMMITMENT

21	General Fund--State Appropriation (FY 2002)	. . . \$	19,137,000
22	General Fund--State Appropriation (FY 2003)	. . . \$	21,541,000
23	TOTAL APPROPRIATION	. . . . . \$	40,678,000

24 The appropriations in this subsection are subject to the following
25 conditions and limitations:

26 (a) \$2,162,000 of the general fund--state appropriation for fiscal
27 year 2002 and \$3,798,000 of the general fund--state appropriation for
28 fiscal year 2003 are provided solely for operational costs associated
29 with a less restrictive step-down placement facility on McNeil Island.
30 Funding provided in this subsection is sufficient to implement Second
31 Substitute Senate Bill No. 6151 (high risk sex offenders in the civil
32 commitment and criminal justice systems) and provide one-time
33 mitigation funding for jurisdictions affected by the placement of less
34 restrictive alternative facilities for persons conditionally released
35 from the special commitment center at McNeil Island.

36 (b) By October 1, 2001, the department shall report to the office
37 of financial management and the fiscal committees of the house of
38 representatives and senate detailing information on plans for

1 increasing the efficiency of staffing patterns at the new civil
2 commitment center facility being constructed on McNeil Island.

3 (4) SPECIAL PROJECTS

4	General Fund--State Appropriation (FY 2002)	\$	444,000
5	General Fund--State Appropriation (FY 2003)	\$	443,000
6	General Fund--Federal Appropriation	\$	2,082,000
7	TOTAL APPROPRIATION	\$	2,969,000

8 (5) PROGRAM SUPPORT

9	General Fund--State Appropriation (FY 2002)	\$	3,104,000
10	General Fund--State Appropriation (FY 2003)	\$	3,231,000
11	General Fund--Federal Appropriation	\$	5,796,000
12	TOTAL APPROPRIATION	\$	12,131,000

13 The appropriations in this subsection are subject to the following
14 conditions and limitations:

15 (a) \$113,000 of the general fund--state appropriation for fiscal
16 year 2002, \$125,000 of the general fund--state appropriation for fiscal
17 year 2003, and \$164,000 of the general fund--federal appropriation are
18 provided solely for the institute for public policy to evaluate the
19 impacts of chapter 214, Laws of 1999 (mentally ill offenders), chapter
20 217, Laws of 2000 (atypical anti-psychotic medications), chapter 297,
21 Laws of 1998 (commitment of mentally ill persons), and chapter 334,
22 Laws of 2001 (mental health performance audit).

23 (b) \$168,000 of the general fund--state appropriation for fiscal
24 year 2002, \$243,000 of the general fund--state appropriation for fiscal
25 year 2003, and \$411,000 of the general fund--federal appropriation are
26 provided solely for development of a new system for measuring and
27 tracking the outcomes of community mental health services.

28 (c) \$125,000 of the general fund--state appropriation for fiscal
29 year 2002, \$125,000 of the general fund--state appropriation for fiscal
30 year 2003, and \$250,000 of the general fund--federal appropriation are
31 provided solely for a study of the prevalence of mental illness among
32 the state's regional support networks. The study shall examine how
33 reasonable estimates of the prevalence of mental illness relate to the
34 incidence of persons enrolled in medical assistance programs in each
35 regional support network area. In conducting this study, the
36 department shall consult with the joint legislative audit and review
37 committee, regional support networks, community mental health

providers, and mental health consumer representatives. The department shall submit a final report on its findings to the fiscal, health care, and human services committees of the legislature by November 1, 2003.

NEW SECTION. Sec. 205. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL DISABILITIES PROGRAM

(1) COMMUNITY SERVICES

General Fund--State Appropriation (FY 2002)	\$	231,693,000
General Fund--State Appropriation (FY 2003)	\$	242,347,000
General Fund--Federal Appropriation	\$	396,151,000
Health Services Account--State		
Appropriation	\$	741,000
TOTAL APPROPRIATION	\$	870,932,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The health services account appropriation and \$753,000 of the general fund--federal appropriation are provided solely for health care benefits for home care workers with family incomes below 200 percent of the federal poverty level who are employed through state contracts for twenty hours per week or more. Premium payments for individual provider home care workers shall be made only to the subsidized basic health plan. Home care agencies may obtain coverage either through the basic health plan or through an alternative plan with substantially equivalent benefits.

(b) \$902,000 of the general fund--state appropriation for fiscal year 2002, \$3,372,000 of the general fund--state appropriation for fiscal year 2003, and \$4,056,000 of the general fund--federal appropriation are provided solely for community services for residents of residential habilitation centers (RHCs) who are able to be adequately cared for in community settings and who choose to live in those community settings. The department shall ensure that the average cost per day for all program services other than start-up costs shall not exceed \$280. If the number and timing of residents choosing to move into community settings is not sufficient to achieve the RHC cottage consolidation plan assumed in the appropriations in subsection (2) of this section, the department shall transfer sufficient appropriations from this subsection to subsection (2) of this section to cover the added costs incurred in the RHCs. The department shall

1 report to the appropriate committees of the legislature, within 45 days
2 following each fiscal year quarter, the number of residents moving into
3 community settings and the actual expenditures for all community
4 services to support those residents.

5 (c) \$1,440,000 of the general fund--state appropriation for fiscal
6 year 2002, \$3,041,000 of the general fund--state appropriation for
7 fiscal year 2003, and \$4,311,000 of the general fund--federal
8 appropriation are provided solely for expanded community services for
9 persons with developmental disabilities who also have community
10 protection issues or are diverted or discharged from state psychiatric
11 hospitals. The department shall ensure that the average cost per day
12 for all program services other than start-up costs shall not exceed
13 \$275. The department shall report to the appropriate committees of the
14 legislature, within 45 days following each fiscal year quarter, the
15 number of persons served with these additional community services,
16 where they were residing, what kinds of services they were receiving
17 prior to placement, and the actual expenditures for all community
18 services to support these clients.

19 (d) \$1,005,000 of the general fund--state appropriation for fiscal
20 year 2002, \$2,262,000 of the general fund--state appropriation for
21 fiscal year 2003, and \$2,588,000 of the general fund--federal
22 appropriation are provided solely for increasing case/resource
23 management resources to improve oversight and quality of care for
24 persons enrolled in the medicaid home and community services waiver for
25 persons with developmental disabilities. The department shall not
26 increase total enrollment in home and community based waivers for
27 persons with developmental disabilities except for increases assumed in
28 additional funding provided in subsections (b) and (c) of this section.
29 Prior to submitting to the health care financing authority any
30 additional home and community based waiver request for persons with
31 developmental disabilities, the department shall submit a summary of
32 the waiver request to the appropriate committees of the legislature.
33 The summary shall include eligibility criteria, program description,
34 enrollment projections and limits, and budget and cost effectiveness
35 projections that distinguish the requested waiver from other existing
36 or proposed waivers.

37 (e) \$1,000,000 of the general fund--state appropriation for fiscal
38 year 2002 and \$1,000,000 of the general fund--state appropriation for
39 fiscal year 2003 are provided solely for employment, or other day

activities and training programs, for young adults with developmental disabilities who complete their high school curriculum in 2001 or 2002. These services are intended to assist with the transition to work and more independent living. Funding shall be used to the greatest extent possible for vocational rehabilitation services matched with federal funding. In recent years, the state general fund appropriation for employment and day programs has been underspent. These surpluses, built into the carry forward level budget, shall be redeployed for high school transition services.

(f) \$369,000 of the fiscal year 2002 general fund--state appropriation and \$369,000 of the fiscal year 2003 general fund--state appropriation are provided solely for continuation of the autism pilot project started in 1999.

(g) \$4,049,000 of the general fund--state appropriation for fiscal year 2002, \$1,734,000 of the general fund--state appropriation for fiscal year 2003, and \$5,369,000 of the general fund--federal appropriation are provided solely to increase compensation by an average of fifty cents per hour for low-wage workers providing state-funded services to persons with developmental disabilities. These funds, along with funding provided for vendor rate increases, are sufficient to raise wages an average of fifty cents and cover the employer share of unemployment and social security taxes on the amount of the wage increase. In consultation with the statewide associations representing such agencies, the department shall establish a mechanism for testing the extent to which funds have been used for this purpose, and report the results to the fiscal committees of the legislature by February 1, 2002.

(2) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 2002)	. . \$	71,977,000
General Fund--State Appropriation (FY 2003)	. . \$	69,303,000
General Fund--Federal Appropriation	. . . . . \$	145,641,000
General Fund--Private/Local Appropriation	. . . \$	10,230,000
TOTAL APPROPRIATION	. . . . . \$	297,151,000

(3) PROGRAM SUPPORT

General Fund--State Appropriation (FY 2002)	. . \$	2,601,000
General Fund--State Appropriation (FY 2003)	. . \$	2,623,000
General Fund--Federal Appropriation	. . . . . \$	2,413,000
TOTAL APPROPRIATION	. . . . . \$	7,637,000

The appropriations in this subsection are subject to the following conditions and limitations: \$50,000 of the fiscal year 2002 general fund--state appropriation and \$50,000 of the fiscal year 2003 general fund--state appropriation are provided solely for increasing the contract amount for the southeast Washington deaf and hard of hearing services center due to increased workload.

(4) SPECIAL PROJECTS

General Fund--Federal Appropriation	\$	11,995,000
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NEW SECTION. Sec. 206. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT SERVICES PROGRAM

General Fund--State Appropriation (FY 2002) . .	\$	518,911,000
General Fund--State Appropriation (FY 2003) . .	\$	537,907,000
General Fund--Federal Appropriation	\$	1,078,417,000
General Fund--Private/Local Appropriation . . .	\$	4,324,000
Health Services Account--State		
Appropriation	\$	4,523,000
TOTAL APPROPRIATION	\$	2,144,082,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The entire health services account appropriation, \$1,210,000 of the general fund--state appropriation for fiscal year 2002, \$1,423,000 of the general fund--state appropriation for fiscal year 2003, and \$6,794,000 of the general fund--federal appropriation are provided solely for health care benefits for home care workers who are employed through state contracts for at least twenty hours per week. Premium payments for individual provider home care workers shall be made only to the subsidized basic health plan, and only for persons with incomes below 200 percent of the federal poverty level. Home care agencies may obtain coverage either through the basic health plan or through an alternative plan with substantially equivalent benefits.

(2) \$1,706,000 of the general fund--state appropriation for fiscal year 2002 and \$1,706,000 of the general fund--state appropriation for fiscal year 2003, plus the associated vendor rate increase for each year, are provided solely for operation of the volunteer chore services program.

1 (3) For purposes of implementing chapter 74.46 RCW, the weighted
2 average nursing facility payment rate shall be no more than \$128.79 for
3 fiscal year 2002, and no more than \$134.45 for fiscal year 2003. For
4 all facilities, the therapy care, support services, and operations
5 component rates established in accordance with chapter 74.46 RCW shall
6 be adjusted for economic trends and conditions by 2.1 percent effective
7 July 1, 2001, and by an additional 2.3 percent effective July 1, 2002.
8 For case-mix facilities, direct care component rates established in
9 accordance with chapter 74.46 RCW shall also be adjusted for economic
10 trends and conditions by 2.1 percent effective July 1, 2001, and by an
11 additional 2.3 percent effective July 1, 2002. Additionally, to
12 facilitate the transition to a fully case-mix based direct care payment
13 system, the median price per case-mix unit for each of the applicable
14 direct care peer groups shall be increased on a one-time basis by 2.64
15 percent effective July 1, 2002.

16 (4) In accordance with Substitute House Bill No. 2242 (nursing home
17 rates), the department shall issue certificates of capital
18 authorization which result in up to \$10 million of increased asset
19 value completed and ready for occupancy in fiscal year 2003; in up to
20 \$27 million of increased asset value completed and ready for occupancy
21 in fiscal year 2004; and in up to \$27 million of increased asset value
22 completed and ready for occupancy in fiscal year 2005.

23 (5) Adult day health services shall not be considered a duplication
24 of services for persons receiving care in long-term care settings
25 licensed under chapter 18.20, 72.36, or 70.128 RCW.

26 (6) Within funds appropriated in this section and in section 204 of
27 this act, the aging and adult services program shall coordinate with
28 and actively support the efforts of the mental health program and of
29 the regional support networks to provide stable community living
30 arrangements for persons with dementia and traumatic brain injuries who
31 have been long-term residents of the state psychiatric hospitals. The
32 aging and adult services program shall report to the health care and
33 fiscal committees of the legislature by November 1, 2001, and by
34 November 1, 2002, on the actions it has taken to achieve this
35 objective.

36 (7) Within funds appropriated in this section and in section 204 of
37 this act, the aging and adult services program shall devise and
38 implement strategies in partnership with the mental health program and
39 the regional support networks to reduce the use of state and local

1 psychiatric hospitals for the short-term stabilization of persons with
2 dementia and traumatic brain injuries. Such strategies may include
3 training and technical assistance to help long-term care providers
4 avoid and manage behaviors which might otherwise result in psychiatric
5 hospitalizations; monitoring long-term care facilities to assure
6 residents are receiving appropriate mental health care and are not
7 being inappropriately medicated or hospitalized; the development of
8 diversion beds and stabilization support teams; and the establishment
9 of systems to track the use of psychiatric hospitals by long-term care
10 providers. The aging and adult services program shall report to the
11 health care and fiscal committees of the legislature by November 1,
12 2001, and by November 1, 2002, on the actions it has taken to achieve
13 this objective.

14 (8) In accordance with Substitute House Bill No. 1341, the
15 department may implement two medicaid waiver programs for persons who
16 do not qualify for such services as categorically needy, subject to
17 federal approval and the following conditions and limitations:

18 (a) One waiver program shall include coverage of home-based
19 services, and the second shall include coverage of care in community
20 residential facilities. Enrollment in the waiver covering home-based
21 services shall not exceed 150 persons by the end of fiscal year 2002,
22 nor 200 persons by the end of fiscal year 2003. Enrollment in the
23 waiver covering community residential services shall not exceed 500
24 persons by the end of fiscal year 2002, nor 900 persons by the end of
25 fiscal year 2003.

26 (b) For each month of waiver service delivered to a person who was
27 not covered by medicaid prior to their enrollment in the waiver, the
28 aging and adult services program shall transfer to the medical
29 assistance program state and federal funds equal to the monthly per
30 capita expenditure amount, net of drug rebates, estimated for medically
31 needy-aged persons in the most recent forecast of medical assistance
32 expenditures.

33 (c) The department shall identify the number of medically needy
34 nursing home residents, and enrollment and expenditures on each of the
35 two medically needy waivers, on monthly management reports.

36 (d) The department shall track and report to health care and fiscal
37 committees of the legislature by November 15, 2002, on the types of
38 long-term care support a sample of waiver participants were receiving

1 prior to their enrollment in the waiver, how those services were being
2 paid for, and an assessment of their adequacy.

3 (9) \$50,000 of the general fund--state appropriation for fiscal
4 year 2002 and \$50,000 of the general fund--state appropriation for
5 fiscal year 2003 are provided solely for payments to any nursing
6 facility licensed under chapter 18.51 RCW which meets all of the
7 following criteria: (a) The nursing home entered into an arm's length
8 agreement for a facility lease prior to January 1, 1980; (b) the lessee
9 purchased the leased nursing home after January 1, 1980; and (c) the
10 lessor defaulted on its loan or mortgage for the assets of the home
11 after January 1, 1991, and prior to January 1, 1992. Payments provided
12 pursuant to this subsection shall not be subject to the settlement,
13 audit, or rate-setting requirements contained in chapter 74.46 RCW.

14 (10) \$364,000 of the general fund--state appropriation for fiscal
15 year 2002, \$364,000 of the general fund--state appropriation for fiscal
16 year 2003, and \$740,000 of the general fund--federal appropriation are
17 provided solely for payment of exceptional care rates so that persons
18 with Alzheimer's disease and related dementias who might otherwise
19 require nursing home or state hospital care can instead be served in
20 boarding home-licensed facilities which specialize in the care of such
21 conditions.

22 (11) From funds appropriated in this section, the department shall
23 increase compensation for individual and for agency home care
24 providers. Payments to individual home care providers are to be
25 increased from \$7.18 per hour to \$7.68 per hour on July 1, 2001.
26 Payments to agency providers are to be increased to \$13.30 per hour on
27 July 1, 2001, and to \$13.44 per hour on July 1, 2002. All but 18 cents
28 per hour of the July 1, 2001, increase to agency providers is to be
29 used to increase wages for direct care workers. The appropriations in
30 this section also include the funds needed for the employer share of
31 unemployment and social security taxes on the amount of the wage
32 increase required by this subsection.

33 (12) \$2,507,000 of the general fund--state appropriation for fiscal
34 year 2002, \$2,595,000 of the general fund--state appropriation for
35 fiscal year 2003, and \$5,100,000 of the general fund--federal
36 appropriation are provided solely for prospective rate increases
37 intended to increase compensation by an average of fifty cents per hour
38 for low-wage workers in agencies which contract with the state to
39 provide community residential services for persons with functional

disabilities. In consultation with the statewide associations representing such agencies, the department shall establish a mechanism for testing the extent to which funds have been used for this purpose, and report the results to the fiscal committees of the legislature by February 1, 2002. The amounts in this subsection also include the funds needed for the employer share of unemployment and social security taxes on the amount of the wage increase.

(13) \$1,082,000 of the general fund--state appropriation for fiscal year 2002, \$1,082,000 of the general fund--state appropriation for fiscal year 2003, and \$2,204,000 of the general fund--federal appropriation are provided solely for prospective rate increases intended to increase compensation for low-wage workers in nursing homes which contract with the state. For fiscal year 2002, the department shall add forty-five cents per patient day to the direct care rate which would otherwise be paid to each nursing facility in accordance with chapter 74.46 RCW. For fiscal year 2003, the department shall increase the median price per case-mix unit for each of the applicable peer groups by nine-tenths of one percent in order to distribute the available funds. In consultation with the statewide associations representing nursing facilities, the department shall establish a mechanism for testing the extent to which funds have been used for this purpose, and report the results to the fiscal committees of the legislature by February 1, 2002.

NEW SECTION. Sec. 207. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ECONOMIC SERVICES PROGRAM

General Fund--State Appropriation (FY 2002)	. . . \$	436,440,000
General Fund--State Appropriation (FY 2003)	. . . \$	424,870,000
General Fund--Federal Appropriation	. . . . . \$	1,356,351,000
General Fund--Private/Local Appropriation	. . . \$	31,788,000
TOTAL APPROPRIATION	. . . . . \$	2,249,449,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$282,081,000 of the general fund--state appropriation for fiscal year 2002, \$278,277,000 of the general fund--state appropriation for fiscal year 2003, \$1,254,197,000 of the general fund--federal appropriation, and \$29,352,000 of the general fund--local appropriation are provided solely for the WorkFirst program and child support

1 operations. WorkFirst expenditures include TANF grants, diversion
2 services, subsidized child care, employment and training, other
3 WorkFirst related services, allocated field services operating costs,
4 and allocated economic services program administrative costs. Within
5 the amounts provided in this subsection, the department shall:

6 (a) Continue to implement WorkFirst program improvements that are
7 designed to achieve progress against outcome measures specified in RCW
8 74.08A.410. Valid outcome measures of job retention and wage
9 progression shall be developed and reported quarterly to appropriate
10 fiscal and policy committees of the legislature for families who leave
11 assistance, measured after 12 months, 24 months, and 36 months. An
12 increased attention to job retention and wage progression is necessary
13 to emphasize the legislature's goal that the WorkFirst program succeed
14 in helping recipients gain long-term economic independence and not
15 cycle on and off public assistance. The wage progression measure shall
16 report the median percentage increase in quarterly earnings and hourly
17 wage after 12 months, 24 months, and 36 months. The wage progression
18 report shall also report the percent with earnings above one hundred
19 percent and two hundred percent of the federal poverty level. The
20 report shall compare former WorkFirst participants with similar workers
21 who did not participate in WorkFirst. The department shall also report
22 the percentage of families who have returned to temporary assistance
23 for needy families after 12 months, 24 months, and 36 months.

24 (b) Develop informational materials that educate families about the
25 difference between cash assistance and work support benefits. These
26 materials must explain, among other facts, that the benefits are
27 designed to support their employment, that there are no time limits on
28 the receipt of work support benefits, and that immigration or residency
29 status will not be affected by the receipt of benefits. These
30 materials shall be posted in all community service offices and
31 distributed to families. Materials must be available in multiple
32 languages. When a family leaves the temporary assistance for needy
33 families program, receives cash diversion assistance, or withdraws a
34 temporary assistance for needy families application, the department of
35 social and health services shall educate them about the difference
36 between cash assistance and work support benefits and offer them the
37 opportunity to begin or to continue receiving work support benefits, so
38 long as they are eligible. The department shall provide this
39 information through in-person interviews, over the telephone, and/or

1 through the mail. Work support benefits include food stamps, medicaid
2 for all family members, medicaid or state children's health insurance
3 program for children, and child care assistance. The department shall
4 report annually to the legislature the number of families who have had
5 exit interviews, been reached successfully by phone, and been sent
6 mail. The report shall also include the percentage of families who
7 elect to continue each of the benefits and the percentage found
8 ineligible by each substantive reason code. A substantive reason code
9 shall not be "other." The report shall identify barriers to informing
10 families about work support benefits and describe existing and future
11 actions to overcome such barriers.

12 (c) From the amounts provided in this subsection, provide \$50,000
13 from the general fund--state appropriation for fiscal year 2002 and
14 \$50,000 from the general fund--state appropriation for fiscal year 2003
15 to the Washington institute for public policy for continuation of the
16 WorkFirst evaluation database.

17 (d) Submit a report by December 1, 2001, to the fiscal committees
18 of the legislature containing a spending plan for the WorkFirst
19 program. The plan shall identify how spending levels in the 2001-2003
20 biennium will be adjusted by June 30, 2003, to be sustainable within
21 available federal grant levels and the carryforward level of state
22 funds.

23 (2) \$48,341,000 of the general fund--state appropriation for fiscal
24 year 2002 and \$48,341,000 of the general fund--state appropriation for
25 fiscal year 2003 are provided solely for cash assistance and other
26 services to recipients in the general assistance--unemployable program.
27 Within these amounts, the department may expend funds for services that
28 assist recipients to reduce their dependence on public assistance,
29 provided that expenditures for these services and cash assistance do
30 not exceed the funds provided.

31 (3) \$5,632,000 of the general fund--state appropriation for fiscal
32 year 2002 and \$5,632,000 of the general fund--state appropriation for
33 fiscal year 2003 are provided solely for the food assistance program
34 for legal immigrants. The level of benefits shall be equivalent to the
35 benefits provided by the federal food stamp program.

36 (4) \$48,000 of the general fund--state appropriation for fiscal
37 year 2002 is provided solely to implement chapter 111, Laws of 2001
38 (veterans/Philippines).

1 NEW SECTION. **Sec. 208. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**

2 **SERVICES--ALCOHOL AND SUBSTANCE ABUSE PROGRAM**

3	General Fund--State Appropriation (FY 2002) . . . \$	38,047,000
4	General Fund--State Appropriation (FY 2003) . . . \$	38,938,000
5	General Fund--Federal Appropriation \$	91,695,000
6	General Fund--Private/Local Appropriation . . . \$	723,000
7	Public Safety and Education Account--State	
8	Appropriation \$	13,733,000
9	Violence Reduction and Drug Enforcement Account--	
10	State Appropriation \$	52,510,000
11	TOTAL APPROPRIATION \$	235,646,000

12 The appropriations in this section are subject to the following
13 conditions and limitations:

14 (1) \$1,610,000 of the general fund--state appropriation for fiscal
15 year 2002 and \$1,622,000 of the general fund--state appropriation for
16 fiscal year 2003 are provided solely for expansion of 35 drug and
17 alcohol treatment beds for persons committed under RCW 70.96A.140.
18 Patients meeting the commitment criteria of RCW 70.96A.140 but who
19 voluntarily agree to treatment in lieu of commitment shall also be
20 eligible for treatment in these additional treatment beds. The
21 department shall develop specific placement criteria for these expanded
22 treatment beds to ensure that this new treatment capacity is
23 prioritized for persons incapacitated as a result of chemical
24 dependency and who are also high utilizers of hospital services. These
25 additional treatment beds shall be located in the eastern part of the
26 state.

27 (2) \$2,800,000 of the public safety and education account--state
28 appropriation is provided solely for expansion of treatment for persons
29 gravely disabled by abuse and addiction to alcohol and other drugs
30 including methamphetamine.

31 (3) \$1,083,000 of the public safety and education account--state
32 appropriation is provided solely for adult and juvenile drug courts
33 that have a net loss of federal grant funding in state fiscal year 2002
34 and state fiscal year 2003. This appropriation is intended to cover
35 approximately one-half of lost federal funding. It is the intent of
36 the legislature to provide state assistance to counties to cover a part
37 of lost federal funding for drug courts for a maximum of three years.

(4) \$1,993,000 of the public safety and education account--state appropriation and \$951,000 of the general fund--federal appropriation are provided solely for drug and alcohol treatment for SSI clients. The department shall continue research and post-program evaluation of these clients to further determine the post-treatment utilization of medical services and the service effectiveness of consolidation.

NEW SECTION. Sec. 209. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MEDICAL ASSISTANCE PROGRAM

General Fund--State Appropriation (FY 2002) . . .	\$	1,028,885,000
General Fund--State Appropriation (FY 2003) . . .	\$	1,130,904,000
General Fund--Federal Appropriation	\$	3,637,511,000
General Fund--Private/Local Appropriation . . .	\$	276,147,000
Emergency Medical Services and Trauma Care Systems		
Trust Account--State Appropriation	\$	9,200,000
Health Services Account--State Appropriation . .	\$	1,043,310,000
TOTAL APPROPRIATION	\$	7,125,957,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The department shall increase its efforts to restrain the growth of health care costs. The appropriations in this section anticipate that the department implements a combination of cost containment and utilization strategies sufficient to reduce general fund--state costs by approximately 3 percent below the level projected for the 2001-03 biennium in the March 2001 forecast. The department shall report to the fiscal committees of the legislature by October 1, 2001, on its specific plans and semiannual targets for accomplishing these savings. The department shall report again to the fiscal committees by March 1, 2002, and by September 1, 2002, on actual performance relative to the semiannual targets. If satisfactory progress is not being made to achieve the targeted savings, the reports shall include recommendations for additional or alternative measures to control costs. Such measures may include the imposition of ratable reductions directly related to those services in which other efforts to control costs have been least effective.

(2) The department shall continue to extend medicaid eligibility to children through age 18 residing in households with incomes below 200 percent of the federal poverty level.

1 (3) In determining financial eligibility for medicaid-funded
2 services, the department is authorized to disregard recoveries by
3 Holocaust survivors of insurance proceeds or other assets, as defined
4 in RCW 48.104.030.

5 (4) \$502,000 of the health services account appropriation, \$400,000
6 of the general fund--private/local appropriation, and \$1,676,000 of the
7 general fund--federal appropriation are provided solely for
8 implementation of Second Substitute House Bill No. 1058 (breast and
9 cervical cancer treatment). If the bill is not enacted by June 30,
10 2001, or if private funding is not contributed equivalent to the
11 general fund--private/local appropriation, the funds appropriated in
12 this subsection shall lapse.

13 (5) \$620,000 of the health services account appropriation for
14 fiscal year 2002, \$1,380,000 of the health services account
15 appropriation for fiscal year 2003, and \$2,000,000 of the general
16 fund--federal appropriation are provided solely for implementation of
17 a "ticket to work" medicaid buy-in program for working persons with
18 disabilities, operated in accordance with the following conditions:

19 (a) To be eligible, a working person with a disability must have
20 total income which is less than 450 percent of poverty;

21 (b) Participants shall participate in the cost of the program by
22 paying (i) a monthly enrollment fee equal to fifty percent of any
23 unearned income in excess of the medicaid medically needy standard; and
24 (ii) a monthly premium equal to 5 percent of all unearned income, plus
25 5 percent of all earned income after disregarding the first sixty-five
26 dollars of monthly earnings, and half the remainder;

27 (c) The department shall establish more restrictive eligibility
28 standards than specified in this subsection to the extent necessary to
29 operate the program within appropriated funds;

30 (d) The department may require point-of-service copayments as
31 appropriate, except that copayments shall not be so high as to
32 discourage appropriate service utilization, particularly of
33 prescription drugs needed for the treatment of psychiatric conditions;
34 and

35 (e) The department shall establish systems for tracking and
36 reporting enrollment and expenditures in this program, and the prior
37 medical assistance eligibility status of new program enrollees. The
38 department shall additionally survey the prior and current employment
39 status and approximate hours worked of program enrollees, and report

1 the results to the fiscal and health care committees of the legislature
2 by January 15, 2003.

3 (6) From funds appropriated in this section, the department shall
4 design, implement, and evaluate pilot projects to assist individuals
5 with at least three different diseases to improve their health, while
6 reducing total medical expenditures. The projects shall involve (a)
7 identifying persons who are seriously or chronically ill due to a
8 combination of medical, social, and functional problems; and (b)
9 working with the individuals and their care providers to improve
10 adherence to state-of-the-art treatment regimens. The department shall
11 report to the health care and the fiscal committees of the legislature
12 by January 1, 2002, on the particular disease states, intervention
13 protocols, and delivery mechanisms it proposes to test.

14 (7) Sufficient funds are appropriated in this section for the
15 department to continue full-scope dental coverage, vision coverage, and
16 podiatry services for medicaid-eligible adults.

17 (8) The legislature reaffirms that it is in the state's interest
18 for Harborview medical center to remain an economically viable
19 component of the state's health care system.

20 (9) \$80,000 of the general fund--state appropriation for fiscal
21 year 2002, \$80,000 of the general fund--state appropriation for fiscal
22 year 2003, and \$160,000 of the general fund--federal appropriation are
23 provided solely for the newborn referral program to provide access and
24 outreach to reduce infant mortality.

25 (10) \$30,000 of the general fund--state appropriation for fiscal
26 year 2002, \$31,000 of the general fund--state appropriation for fiscal
27 year 2003, and \$62,000 of the general fund--federal appropriation are
28 provided solely for implementation of Substitute Senate Bill No. 6020
29 (dental sealants). If Substitute Senate Bill No. 6020 is not enacted
30 by June 30, 2001, the amounts provided in this subsection shall lapse.

31 (11) In accordance with RCW 74.46.625, \$376,318,000 of the health
32 services account appropriation for fiscal year 2002, \$144,896,000 of
33 the health services account appropriation for fiscal year 2003, and
34 \$542,089,000 of the general fund--federal appropriation are provided
35 solely for supplemental payments to nursing homes operated by rural
36 public hospital districts. The payments shall be conditioned upon (a)
37 a contractual commitment by the association of public hospital
38 districts and participating rural public hospital districts to make an
39 intergovernmental transfer to the state treasurer, for deposit into the

1 health services account, equal to at least 98 percent of the
2 supplemental payments; and (b) a contractual commitment by the
3 participating districts to not allow expenditures covered by the
4 supplemental payments to be used for medicaid nursing home rate-
5 setting. The participating districts shall retain no more than a total
6 of \$20,000,000 for the 2001-03 biennium.

7 (12) \$38,690,000 of the health services account appropriation for
8 fiscal year 2002, \$40,189,000 of the health services account
9 appropriation for fiscal year 2003, and \$80,241,000 of the general
10 fund--federal appropriation are provided solely for additional
11 disproportionate share and medicare upper payment limit payments to
12 public hospital districts. The payments shall be conditioned upon a
13 contractual commitment by the participating public hospital districts
14 to make an intergovernmental transfer to the health services account
15 equal to at least 86.5 percent of the additional payments. At least 28
16 percent of the amounts retained by the participating hospital districts
17 shall be allocated to the state's teaching hospitals.

18 (13) \$412,000 of the general fund--state appropriation for fiscal
19 year 2002, \$862,000 of the general fund--state appropriation for fiscal
20 year 2003, and \$730,000 of the general fund--federal appropriation are
21 provided solely for implementation of Substitute House Bill No. 1162
22 (small rural hospitals). If Substitute House Bill No. 1162 is not
23 enacted by June 30, 2001, the amounts provided in this subsection shall
24 lapse.

25 (14) From funds appropriated in this section, the department shall
26 continue to provide medicaid matching funding for funds contributed by
27 local jurisdictions for purposes of conducting eligibility outreach to
28 children and under-served groups.

29 **NEW SECTION. Sec. 210. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
30 **SERVICES--VOCATIONAL REHABILITATION PROGRAM**

31	General Fund--State Appropriation (FY 2002) . . . \$	11,309,000
32	General Fund--State Appropriation (FY 2003) . . . \$	9,780,000
33	General Fund--Federal Appropriation \$	83,738,000
34	General Fund--Private/Local Appropriation . . . \$	360,000
35	TOTAL APPROPRIATION \$	105,187,000

36 The appropriations in this section are subject to the following
37 conditions and limitations: The division of vocational rehabilitation

1 shall negotiate cooperative interagency agreements with state and local
2 organizations to improve and expand employment opportunities for people
3 with severe disabilities.

4 NEW SECTION. **Sec. 211. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
5 **SERVICES--ADMINISTRATION AND SUPPORTING SERVICES PROGRAM**

6	General Fund--State Appropriation (FY 2002) . . .	\$	30,444,000
7	General Fund--State Appropriation (FY 2003) . . .	\$	29,369,000
8	General Fund--Federal Appropriation	\$	50,562,000
9	General Fund--Private/Local Appropriation . . .	\$	810,000
10	TOTAL APPROPRIATION	\$	111,185,000

11 The appropriations in this section are subject to the following
12 conditions and limitations:

13 (1) By November 1, 2001, the secretary shall report to the fiscal
14 committees of the legislature on the actions the secretary has taken,
15 or proposes to take, within current funding levels to resolve the
16 organizational problems identified in the department's February 2001
17 report to the legislature on current systems for billing third-party
18 payers for services delivered by the state psychiatric hospitals. The
19 secretary is authorized to transfer funds from this section to the
20 mental health program to the extent necessary to achieve the
21 organizational improvements recommended in that report.

22 (2) By November 1, 2001, the department shall report to the fiscal
23 committees of the legislature with the least costly plan for assuring
24 that billing and accounting technologies in the state psychiatric
25 hospitals adequately and efficiently comply with standards set by
26 third-party payers. The plan shall be developed with participation by
27 and oversight from the office of financial management, the department's
28 information systems services division, and the department of
29 information services.

30 (3) The department shall reconstitute the payment integrity program
31 to place greater emphasis upon the prevention of future billing errors,
32 and shall rename the program so as to not suggest a lack of integrity
33 on the part of providers who have made inadvertent billing errors. In
34 keeping with this revised focus, the department shall also increase to
35 one thousand dollars the cumulative total of apparent billing errors
36 allowed before a provider is contacted for repayment.

(4) By September 1, 2001, the department shall report to the fiscal committees of the legislature results from the payment review program. The report shall include actual costs recovered and estimated costs avoided for fiscal year 2001. The report shall document criteria and methodology used for determining avoided costs. The department shall provide annual updates to the report to the fiscal committees of the legislature by September 1st of each year for the preceding fiscal year.

NEW SECTION. Sec. 212. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER AGENCIES PROGRAM

General Fund--State Appropriation (FY 2002)	\$	43,053,000
General Fund--State Appropriation (FY 2003)	\$	43,053,000
General Fund--Federal Appropriation	\$	26,665,000
TOTAL APPROPRIATION	\$	112,771,000

NEW SECTION. Sec. 213. FOR THE STATE HEALTH CARE AUTHORITY

General Fund--State Appropriation (FY 2002)	\$	6,655,000
General Fund--State Appropriation (FY 2003)	\$	6,654,000
State Health Care Authority Administrative Account--State Appropriation	\$	20,091,000
Health Services Account--State Appropriation	\$	499,148,000
General Fund--Federal Appropriation	\$	3,611,000
TOTAL APPROPRIATION	\$	536,159,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$6,551,000 of the general fund--state appropriation for fiscal year 2002 and \$6,550,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for health care services provided through local community clinics.

(2) Within funds appropriated in this section and sections 205 and 206 of this 2001 act, the health care authority shall continue to provide an enhanced basic health plan subsidy option for foster parents licensed under chapter 74.15 RCW and workers in state-funded home care programs. Under this enhanced subsidy option, foster parents and home care workers with family incomes below 200 percent of the federal poverty level shall be allowed to enroll in the basic health plan at a cost of ten dollars per covered worker per month.

(3) The health care authority shall require organizations and individuals which are paid to deliver basic health plan services and which choose to sponsor enrollment in the subsidized basic health plan to pay the following: (i) A minimum of fifteen dollars per enrollee per month for persons below 100 percent of the federal poverty level; and (ii) a minimum of twenty dollars per enrollee per month for persons whose family income is 100 percent to 125 percent of the federal poverty level.

(4) The health care authority shall solicit information from the United States office of personnel management, health plans, and other relevant sources, regarding the cost of implementation of mental health parity by the federal employees health benefits program in 2001. A progress report shall be provided to the senate and house of representatives fiscal committees by July 1, 2002, and a final report shall be provided to the legislature by November 15, 2002, on the study findings.

NEW SECTION. Sec. 214. FOR THE HUMAN RIGHTS COMMISSION

General Fund--State Appropriation (FY 2002)	\$	2,688,000
General Fund--State Appropriation (FY 2003)	\$	2,700,000
General Fund--Federal Appropriation	\$	1,544,000
General Fund--Private/Local Appropriation	\$	100,000
TOTAL APPROPRIATION	\$	7,032,000

NEW SECTION. Sec. 215. FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS

Worker and Community Right-to-Know Account--State		
Appropriation	\$	20,000
Accident Account--State Appropriation	\$	14,692,000
Medical Aid Account--State Appropriation	\$	14,694,000
TOTAL APPROPRIATION	\$	29,406,000

NEW SECTION. Sec. 216. FOR THE CRIMINAL JUSTICE TRAINING COMMISSION

Municipal Criminal Justice Assistance Account--		
Local Appropriation	\$	460,000
Death Investigations Account--State		
Appropriation	\$	148,000
Public Safety and Education Account--State		

1	Appropriation	\$	18,439,000
2	TOTAL APPROPRIATION	\$	19,047,000

3 The appropriations in this section are subject to the following
4 conditions and limitations:

5 (1) \$124,000 of the public safety and education account
6 appropriation is provided solely to allow the Washington association of
7 sheriffs and police chiefs to increase the technical and training
8 support provided to the local criminal justice agencies on the new
9 incident-based reporting system and the national incident-based
10 reporting system.

11 (2) \$136,000 of the public safety and education account
12 appropriation is provided solely to allow the Washington association of
13 prosecuting attorneys to enhance the training provided to criminal
14 justice personnel.

15 (3) \$22,000 of the public safety and education account
16 appropriation is provided solely to increase payment rates for the
17 criminal justice training commission's contracted food service
18 provider.

19 (4) \$31,000 of the public safety and education account
20 appropriation is provided solely to increase payment rates for the
21 criminal justice training commission's contract with the Washington
22 association of sheriffs and police chiefs.

23 (5) \$65,000 of the public safety and education account
24 appropriation is provided solely for regionalized training programs for
25 school district and local law enforcement officials on school safety
26 issues.

27 (6) \$233,000 of the public safety and education account
28 appropriation is provided solely for training and equipping local law
29 enforcement officers to respond to methamphetamine crime.

30 (7) \$374,000 of the public safety and education account
31 appropriation is provided solely for the implementation of House Bill
32 No. 1062 (certification of peace officers). If the bill is not enacted
33 by June 30, 2001, the amounts provided in this subsection shall lapse.

34 (8) \$450,000 of the public safety and education account
35 appropriation is provided solely for grants to be distributed by the
36 Washington association of sheriffs and police chiefs for electronic
37 mapping of school facilities.

NEW SECTION. **Sec. 217. FOR THE DEPARTMENT OF LABOR AND INDUSTRIES**

General Fund--State Appropriation (FY 2002)	\$	7,738,000
General Fund--State Appropriation (FY 2003)	\$	7,682,000
General Fund--Federal Appropriation	\$	1,250,000
Public Safety and Education Account--State		
Appropriation	\$	19,862,000
Public Safety and Education Account--Federal		
Appropriation	\$	6,950,000
Public Safety and Education Account--Private/Local		
Appropriation	\$	4,200,000
Asbestos Account--State Appropriation	\$	688,000
Electrical License Account--State		
Appropriation	\$	28,412,000
Farm Labor Revolving Account--Private/Local		
Appropriation	\$	28,000
Worker and Community Right-to-Know Account--State		
Appropriation	\$	2,281,000
Public Works Administration Account--State		
Appropriation	\$	2,856,000
Accident Account--State Appropriation	\$	179,186,000
Accident Account--Federal Appropriation	\$	11,568,000
Medical Aid Account--State Appropriation	\$	176,715,000
Medical Aid Account--Federal Appropriation	\$	2,438,000
Plumbing Certificate Account--State		
Appropriation	\$	1,015,000
Pressure Systems Safety Account--State		
Appropriation	\$	2,274,000
TOTAL APPROPRIATION	\$	455,143,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Pursuant to RCW 7.68.015, the department shall operate the crime victims compensation program within the public safety and education account funds appropriated in this section. In the event that cost containment measures are necessary, the department may (a) institute copayments for services; (b) develop preferred provider contracts; or (c) other cost containment measures. Cost containment measures shall not include holding invoices received in one fiscal period for payment from appropriations in subsequent fiscal periods.

No more than \$5,248,000 of the public safety and education account appropriation shall be expended for department administration of the crime victims compensation program.

(2) \$1,438,000 of the accident account--state appropriation and \$1,438,000 of the medical aid account--state appropriation are provided for the one-time cost of implementing a recent state supreme court ruling regarding the calculation of workers' compensation benefits. This decision significantly increases the complexity of calculating benefits and therefore increases the administrative and legal costs of the workers' compensation program. The department shall develop and report to appropriate committees of the legislature proposed statutory language that provides greater certainty and simplicity in the calculation of benefits. The report shall be submitted by October 1, 2001.

(3) It is the intent of the legislature that elevator inspection fees shall fully cover the cost of the elevator inspection program. Pursuant to RCW 43.135.055, during the 2001-03 fiscal biennium the department may increase fees in excess of the fiscal growth factor, if the increases are necessary to fully fund the cost of the elevator inspection program.

(4) The department shall not expend any funds from amounts provided in this section for the occupational safety and health impact grants program unless separate legislation is passed that specifically authorizes such expenditures, appropriates funds, and provides accountability for the program.

NEW SECTION. Sec. 218. FOR THE INDETERMINATE SENTENCE REVIEW BOARD

General Fund--State Appropriation (FY 2002)	. . \$	999,000
General Fund--State Appropriation (FY 2003)	. . \$	999,000
TOTAL APPROPRIATION	. . . . . \$	1,998,000

NEW SECTION. Sec. 219. FOR THE DEPARTMENT OF VETERANS AFFAIRS

(1) HEADQUARTERS

General Fund--State Appropriation (FY 2002)	. . \$	1,529,000
General Fund--State Appropriation (FY 2003)	. . \$	1,533,000
Charitable, Educational, Penal, and Reformatory Institutions Account--State Appropriation	. . . . . \$	7,000

1	TOTAL APPROPRIATION	\$	3,069,000
2	(2) FIELD SERVICES		
3	General Fund--State Appropriation (FY 2002) . .	\$	2,619,000
4	General Fund--State Appropriation (FY 2003) . .	\$	2,643,000
5	General Fund--Federal Appropriation	\$	155,000
6	General Fund--Private/Local Appropriation . . .	\$	1,663,000
7	TOTAL APPROPRIATION	\$	7,080,000
8	(3) INSTITUTIONAL SERVICES		
9	General Fund--State Appropriation (FY 2002) . .	\$	6,832,000
10	General Fund--State Appropriation (FY 2003) . .	\$	4,600,000
11	General Fund--Federal Appropriation	\$	28,699,000
12	General Fund--Private/Local Appropriation . . .	\$	25,614,000
13	TOTAL APPROPRIATION	\$	65,745,000

14 The appropriations in this subsection are subject to the following
15 terms and conditions: \$3,664,000 of the general fund--federal
16 appropriation and \$7,129,000 of the general fund--local appropriation
17 are provided solely for the department to acquire, establish, and
18 operate a nursing facility dedicated to serving men and women from
19 Washington who have served in the nation's armed forces.

20	<u>NEW SECTION.</u> Sec. 220. FOR THE DEPARTMENT OF HEALTH		
21	General Fund--State Appropriation (FY 2002) . .	\$	65,308,000
22	General Fund--State Appropriation (FY 2003) . .	\$	66,941,000
23	Health Services Account--State Appropriation .	\$	24,186,000
24	General Fund--Federal Appropriation	\$	276,840,000
25	General Fund--Private/Local Appropriation . . .	\$	81,526,000
26	Hospital Commission Account--State		
27	Appropriation	\$	1,718,000
28	Health Professions Account--State		
29	Appropriation	\$	38,456,000
30	Emergency Medical Services and Trauma Care Systems		
31	Trust Account--State Appropriation	\$	14,858,000
32	Safe Drinking Water Account--State		
33	Appropriation	\$	2,701,000
34	Drinking Water Assistance Account--Federal		
35	Appropriation	\$	13,400,000
36	Waterworks Operator Certification--State		

1	Appropriation	\$	622,000
2	Water Quality Account--State Appropriation . .	\$	3,328,000
3	Accident Account--State Appropriation	\$	257,000
4	Medical Aid Account--State Appropriation . . .	\$	45,000
5	State Toxics Control Account--State		
6	Appropriation	\$	2,817,000
7	Medical Test Site Licensure Account--State		
8	Appropriation	\$	1,369,000
9	Youth Tobacco Prevention Account--State		
10	Appropriation	\$	1,797,000
11	Tobacco Prevention and Control Account--State		
12	Appropriation	\$	34,992,000
13	TOTAL APPROPRIATION	\$	631,161,000

14 The appropriations in this section are subject to the following
 15 conditions and limitations:

16 (1) The department or any successor agency is authorized to raise
 17 existing fees charged to the drinking water operator certification,
 18 newborn screening, radioactive materials, x-ray compliance, drinking
 19 water plan review, midwifery, hearing and speech, veterinarians,
 20 psychologists, pharmacists, hospitals, podiatrists, and home health and
 21 home care programs, in excess of the fiscal growth factor established
 22 by Initiative Measure No. 601, if necessary, to meet the actual costs
 23 of conducting business and the appropriation levels in this section.

24 (2) \$339,000 of the general fund--state appropriation for fiscal
 25 year 2002 and \$339,000 of the general fund--state appropriation for
 26 fiscal year 2003 are provided solely for technical assistance to local
 27 governments and special districts on water conservation and reuse.

28 (3) \$1,675,000 of the general fund--state fiscal year 2002
 29 appropriation and \$1,676,000 of the general fund--state fiscal year
 30 2003 appropriation are provided solely for the implementation of the
 31 Puget Sound water work plan and agency action items, DOH-01, DOH-02,
 32 DOH-03, and DOH-04.

33 (4) The department of health shall not initiate any services that
 34 will require expenditure of state general fund moneys unless expressly
 35 authorized in this act or other law. The department may seek, receive,
 36 and spend, under RCW 43.79.260 through 43.79.282, federal moneys not
 37 anticipated in this act as long as the federal funding does not require
 38 expenditure of state moneys for the program in excess of amounts

1 anticipated in this act. If the department receives unanticipated
2 unrestricted federal moneys, those moneys shall be spent for services
3 authorized in this act or in any other legislation that provides
4 appropriation authority, and an equal amount of appropriated state
5 moneys shall lapse. Upon the lapsing of any moneys under this
6 subsection, the office of financial management shall notify the
7 legislative fiscal committees. As used in this subsection,
8 "unrestricted federal moneys" includes block grants and other funds
9 that federal law does not require to be spent on specifically defined
10 projects or matched on a formula basis by state funds.

11 (5) \$5,779,000 of the health services account--state appropriation
12 for fiscal year 2002 and \$4,665,000 of the health services account--
13 state appropriation for fiscal year 2003 are provided solely for
14 purchase and distribution of the pneumococcal conjugate vaccine as part
15 of the state's program of universal access to essential childhood
16 vaccines.

17 (6) \$85,000 of the general fund--state appropriation for fiscal
18 year 2002 and \$65,000 of the general fund--state appropriation for
19 fiscal year 2003 are provided solely for the implementation of
20 Substitute House Bill No. 1365 (infant and child products). If the
21 bill is not enacted by June 30, 2001, the amounts provided in this
22 subsection shall lapse.

23 (7) \$58,000 of the general fund--state appropriation for fiscal
24 year 2002 and \$25,000 of the general fund--state appropriation for
25 fiscal year 2003 are provided solely for the implementation of Second
26 Substitute House Bill No. 1590 (breastfeeding). If the bill is not
27 enacted by June 30, 2001, the amounts provided in this subsection shall
28 lapse.

29 (8) From funds appropriated in this section, the state board of
30 health shall convene a broadly-based task force to review the available
31 information on the potential risks and benefits to public and personal
32 health and safety, and to individual privacy, of emerging technologies
33 involving human deoxyribonucleic acid (DNA). The board may reimburse
34 task force members for travel expenses according to RCW 43.03.220. The
35 task force shall consider information provided to it by interested
36 persons on: (a) The incidence of discriminatory actions based upon
37 genetic information; (b) strategies to safeguard civil rights and
38 privacy related to genetic information; (c) remedies to compensate
39 individuals for inappropriate use of their genetic information; and (d)

incentives for further research and development on the use of DNA to promote public health, safety, and welfare. The task force shall report on its findings and any recommendations to appropriate committees of the legislature by October 1, 2002.

(9) \$533,000 of the general fund--state appropriation for fiscal year 2002 and \$1,067,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for performance-based contracts with local jurisdictions to assure the safety of drinking water provided by small "group B" water systems.

NEW SECTION. Sec. 221. FOR THE DEPARTMENT OF CORRECTIONS

(1) ADMINISTRATION AND SUPPORT SERVICES

General Fund--State Appropriation (FY 2002)	. . . \$	36,156,000
General Fund--State Appropriation (FY 2003)	. . . \$	36,365,000
Public Safety and Education Account--State		
Appropriation	\$	1,576,000
Violence Reduction and Drug Enforcement		
Account Appropriation	\$	3,254,000
TOTAL APPROPRIATION	\$	77,351,000

The appropriations in this subsection are subject to the following conditions and limitations: \$4,623,000 of the general fund--state appropriation for fiscal year 2002, \$4,623,000 of the general fund--state appropriation for fiscal year 2003, and \$3,254,000 of the violence reduction and drug enforcement account appropriation are provided solely for the replacement of the department's offender-based tracking system. This amount is conditioned on the department satisfying the requirements of section 902 of this act. The department shall prepare an assessment of the fiscal impact of any changes to the replacement project. The assessment shall:

(a) Include a description of any changes to the replacement project;

(b) Provide the estimated costs for each component in the 2001-03 and subsequent biennia;

(c) Include a schedule that provides the time estimated to complete changes to each component of the replacement project; and

(d) Be provided to the office of financial management, the department of information services, the information services board, and

1 the staff of the fiscal committees of the senate and the house of
2 representatives no later than November 1, 2002.

3 (2) CORRECTIONAL OPERATIONS

4	General Fund--State Appropriation (FY 2002) . . . \$	396,557,000
5	General Fund--State Appropriation (FY 2003) . . . \$	406,403,000
6	General Fund--Federal Appropriation \$	12,096,000
7	Violence Reduction and Drug Enforcement Account--	
8	State Appropriation \$	1,614,000
9	Public Health Services Account Appropriation . . . \$	1,453,000
10	TOTAL APPROPRIATION \$	818,123,000

11 The appropriations in this subsection are subject to the following
12 conditions and limitations:

13 (a) The department may expend funds generated by contractual
14 agreements entered into for mitigation of severe overcrowding in local
15 jails. Any funds generated in excess of actual costs shall be
16 deposited in the state general fund. Expenditures shall not exceed
17 revenue generated by such agreements and shall be treated as recovery
18 of costs.

19 (b) The department shall provide funding for the pet partnership
20 program at the Washington corrections center for women at a level at
21 least equal to that provided in the 1995-97 biennium.

22 (c) The department of corrections shall accomplish personnel
23 reductions with the least possible impact on correctional custody
24 staff, community custody staff, and correctional industries. For the
25 purposes of this subsection, correctional custody staff means employees
26 responsible for the direct supervision of offenders.

27 (d) \$553,000 of the general fund--state appropriation for fiscal
28 year 2002 and \$1,171,000 of the general fund--state appropriation for
29 fiscal year 2003 are provided solely to increase payment rates for
30 contracted education providers, contracted chemical dependency
31 providers, and contracted work release facilities.

32 (e) During the 2001-03 biennium, when contracts are established or
33 renewed for offender pay phone and other telephone services provided to
34 inmates, the department shall select the contractor or contractors
35 primarily based on the following factors: (i) The lowest rate charged
36 to both the inmate and the person paying for the telephone call; and
37 (ii) the lowest commission rates paid to the department, while
38 providing reasonable compensation to cover the costs of the department

1 to provide the telephone services to inmates and provide sufficient
2 revenues for the activities funded from the institutional welfare
3 betterment account as of January 1, 2000.

4 (f) For the acquisition of properties and facilities, the
5 department of corrections is authorized to enter into financial
6 contracts, paid for from operating resources, for the purposes
7 indicated and in not more than the principal amounts indicated, plus
8 financing expenses and required reserves pursuant to chapter 39.94 RCW.
9 This authority applies to the following: Lease-develop with the option
10 to purchase or lease-purchase approximately 50 work release beds in
11 facilities throughout the state for \$3,500,000.

12 (g) \$22,000 of the general fund--state appropriation for fiscal
13 year 2002 and \$76,000 of the general fund--state appropriation for
14 fiscal year 2003 are provided solely for the implementation of Second
15 Substitute Senate Bill No. 6151 (high risk sex offenders in the civil
16 commitment and criminal justice systems). If the bill is not enacted
17 by June 30, 2001, the amounts provided in this subsection shall lapse.

18 (h) The department may acquire a ferry for no more than \$1,000,000
19 from Washington state ferries. Funds expended for this purpose will be
20 recovered from the sale of marine assets.

21 (3) COMMUNITY SUPERVISION

22	General Fund--State Appropriation (FY 2002) . . . \$	61,427,000
23	General Fund--State Appropriation (FY 2003) . . . \$	62,934,000
24	General Fund--Federal Appropriation \$	1,125,000
25	Public Safety and Education	
26	Account--State Appropriation \$	15,841,000
27	TOTAL APPROPRIATION \$	141,327,000

28 The appropriations in this subsection are subject to the following
29 conditions and limitations:

30 (a) The department of corrections shall accomplish personnel
31 reductions with the least possible impact on correctional custody
32 staff, community custody staff, and correctional industries. For the
33 purposes of this subsection, correctional custody staff means employees
34 responsible for the direct supervision of offenders.

35 (b) \$75,000 of the general fund--state appropriation for fiscal
36 year 2002 and \$75,000 of the general fund--state appropriation for
37 fiscal year 2003 are provided solely for the department of corrections
38 to contract with the institute for public policy for responsibilities

assigned in chapter 196, Laws of 1999 (offender accountability act) and sections 7 through 12 of chapter 197, Laws of 1999 (drug offender sentencing).

(c) \$16,000 of the general fund--state appropriation for fiscal year 2002 and \$34,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to increase payment rates for contracted chemical dependency providers.

(d) \$30,000 of the general fund--state appropriation for fiscal year 2002 and \$30,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the implementation of Substitute Senate Bill No. 5118 (interstate compact for adult offender supervision). If the bill is not enacted by June 30, 2001, the amounts provided in this subsection shall lapse.

(4) CORRECTIONAL INDUSTRIES

General Fund--State Appropriation (FY 2002)	. . . \$	631,000
General Fund--State Appropriation (FY 2003)	. . . \$	629,000
TOTAL APPROPRIATION	. . . . . \$	1,260,000

The appropriations in this subsection are subject to the following conditions and limitations: \$110,000 of the general fund--state appropriation for fiscal year 2002 and \$110,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for transfer to the jail industries board. The board shall use the amounts provided only for administrative expenses, equipment purchases, and technical assistance associated with advising cities and counties in developing, promoting, and implementing consistent, safe, and efficient offender work programs.

(5) INTERAGENCY PAYMENTS

General Fund--State Appropriation (FY 2002)	. . . \$	18,568,000
General Fund--State Appropriation (FY 2003)	. . . \$	18,569,000
TOTAL APPROPRIATION	. . . . . \$	37,137,000

NEW SECTION. **Sec. 222. FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

General Fund--State Appropriation (FY 2002)	. . . \$	1,693,000
General Fund--State Appropriation (FY 2003)	. . . \$	1,628,000
General Fund--Federal Appropriation	. . . . . \$	11,140,000
General Fund--Private/Local Appropriation	. . . . . \$	80,000

1 TOTAL APPROPRIATION \$ 14,541,000

2 The appropriations in this section are subject to the following
3 conditions and limitations: \$50,000 of the general fund--state
4 appropriation for fiscal year 2002 and \$50,000 of the general fund--
5 state appropriation for fiscal year 2003 are provided solely to
6 increase state assistance for a comprehensive program of training and
7 support services for persons who are both deaf and blind.

8 NEW SECTION. **Sec. 223. FOR THE SENTENCING GUIDELINES COMMISSION**

9 General Fund--State Appropriation (FY 2002) . . \$ 936,000
10 General Fund--State Appropriation (FY 2003) . . \$ 857,000
11 TOTAL APPROPRIATION \$ 1,793,000

12 The appropriations in this section are subject to the following
13 conditions and limitations:

14 \$78,000 of the general fund--state appropriation for fiscal year
15 2002 is provided solely for the sentencing guidelines commission to
16 conduct a comprehensive review and evaluation of state sentencing
17 policy. The review and evaluation shall include an analysis of whether
18 current sentencing ranges and standards, as well as existing mandatory
19 minimum sentences, existing sentence enhancements, and special
20 sentencing alternatives, are consistent with the purposes of the
21 sentencing reform act as set out in RCW 9.94A.010, including the intent
22 of the legislature to emphasize confinement for the violent offender
23 and alternatives to confinement for the nonviolent offender. The
24 review and evaluation shall also examine whether current sentencing
25 ranges and standards are consistent with existing corrections capacity.

26 The review and evaluation shall consider studies on the cost-
27 effectiveness of sentencing alternatives, as well as the fiscal impact
28 of sentencing policies on state and local government. In conducting
29 the review and evaluation, the commission shall consult with the
30 superior court judges' association, the Washington association of
31 prosecuting attorneys, the Washington defenders' association, the
32 Washington association of criminal defense lawyers, the Washington
33 association of sheriffs and police chiefs, organizations representing
34 crime victims, and other organizations and individuals with expertise
35 and interest in sentencing policy.

36 Not later than December 1, 2001, the commission shall present to
37 the appropriate standing committees of the legislature the report of

1 its comprehensive review and evaluation, together with any
2 recommendations for revisions and modifications to state sentencing
3 policy, including sentencing ranges and standards, mandatory minimum
4 sentences, and sentence enhancements. If implementation of the
5 recommendations of the commission would result in exceeding the
6 capacity of correctional facilities, the commission shall at the same
7 time present to the legislature a list of revised standard sentence
8 ranges which are consistent with currently authorized rated and
9 operational corrections capacity, and consistent with the purposes of
10 the sentencing reform act.

11 NEW SECTION. **Sec. 224. FOR THE EMPLOYMENT SECURITY DEPARTMENT**
12 General Fund--Federal Appropriation \$ 180,628,000
13 General Fund--Private/Local Appropriation . . . \$ 30,119,000
14 Unemployment Compensation Administration Account--
15 Federal Appropriation \$ 181,677,000
16 Administrative Contingency Account--State
17 Appropriation \$ 13,914,000
18 Employment Service Administrative Account--State
19 Appropriation \$ 20,001,000
20 TOTAL APPROPRIATION \$ 426,339,000

21 (End of part)

PART III
NATURAL RESOURCES

NEW SECTION. **Sec. 301. FOR THE COLUMBIA RIVER GORGE COMMISSION**

General Fund--State Appropriation (FY 2002)	\$	398,000
General Fund--State Appropriation (FY 2003)	\$	391,000
General Fund--Private/Local Appropriation	\$	749,000
TOTAL APPROPRIATION	\$	1,538,000

The appropriations in this section are subject to the following conditions and limitations: \$40,000 of the general fund--state appropriation for fiscal year 2002 and \$40,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to implement the scenic area management plan for Klickitat county. If Klickitat county adopts an ordinance to implement the scenic area management plan in accordance with the national scenic area act, P.L. 99-663, then the amounts provided in this subsection shall be provided as a grant to Klickitat county to implement its responsibilities under the act.

NEW SECTION. **Sec. 302. FOR THE DEPARTMENT OF ECOLOGY**

General Fund--State Appropriation (FY 2002)	\$	46,633,000
General Fund--State Appropriation (FY 2003)	\$	44,481,000
General Fund--Federal Appropriation	\$	56,805,000
General Fund--Private/Local Appropriation	\$	4,351,000
Special Grass Seed Burning Research Account--		
State Appropriation	\$	14,000
Reclamation Revolving Account--State		
Appropriation	\$	1,810,000
Flood Control Assistance Account--		
State Appropriation	\$	4,098,000
State Emergency Water Projects Revolving Account--		
State Appropriation	\$	878,000
Waste Reduction/Recycling/Litter Control Account--		
State Appropriation	\$	13,537,000
State Drought Preparedness Account--State		
Appropriation	\$	5,325,000

1	State and Local Improvements Revolving Account		
2	(Water Supply Facilities)--State		
3	Appropriation	\$	587,000
4	Water Quality Account--State Appropriation . .	\$	12,481,000
5	Wood Stove Education and Enforcement Account--		
6	State Appropriation	\$	353,000
7	Worker and Community Right-to-Know Account--		
8	State Appropriation	\$	3,288,000
9	State Toxics Control Account--State		
10	Appropriation	\$	68,931,000
11	State Toxics Control Account--Private/Local		
12	Appropriation	\$	350,000
13	Local Toxics Control Account--State		
14	Appropriation	\$	4,751,000
15	Water Quality Permit Account--State		
16	Appropriation	\$	23,827,000
17	Underground Storage Tank Account--State		
18	Appropriation	\$	2,682,000
19	Environmental Excellence Account--State		
20	Appropriation	\$	504,000
21	Biosolids Permit Account--State Appropriation .	\$	589,000
22	Hazardous Waste Assistance Account--State		
23	Appropriation	\$	4,308,000
24	Air Pollution Control Account--State		
25	Appropriation	\$	1,066,000
26	Oil Spill Prevention Account--State		
27	Appropriation	\$	7,921,000
28	Air Operating Permit Account--State		
29	Appropriation	\$	3,608,000
30	Freshwater Aquatic Weeds Account--State		
31	Appropriation	\$	1,898,000
32	Oil Spill Response Account--State		
33	Appropriation	\$	7,078,000
34	Metals Mining Account--State Appropriation . .	\$	5,000
35	Water Pollution Control Revolving Account--		
36	State Appropriation	\$	467,000
37	Water Pollution Control Revolving Account--		
38	Federal Appropriation	\$	2,316,000
39	TOTAL APPROPRIATION	\$	324,942,000

1 The appropriations in this section are subject to the following
2 conditions and limitations:

3 (1) \$3,874,000 of the general fund--state appropriation for fiscal
4 year 2002, \$3,874,000 of the general fund--state appropriation for
5 fiscal year 2003, \$394,000 of the general fund--federal appropriation,
6 \$2,070,000 of the oil spill prevention account--state appropriation,
7 and \$3,686,000 of the water quality permit account--state appropriation
8 are provided solely for the implementation of the Puget Sound work plan
9 and agency action items DOE-01, DOE-02, DOE-03, DOE-05, DOE-06, DOE-07,
10 DOE-08, and DOE-09.

11 (2) \$500,000 of the state toxics control account appropriation is
12 provided for an assessment of the financial assurance requirements of
13 hazardous waste management facilities. By September 30, 2002, the
14 department shall provide to the governor and appropriate committees of
15 the legislature a report that: (a) Evaluates current statutes and
16 regulations governing hazardous waste management facilities; (b)
17 analyzes and makes recommendations for improving financial assurance
18 regulatory control; and (c) makes recommendations for funding financial
19 assurance regulatory control of hazardous waste management facilities.

20 (3) \$250,000 of the general fund--state appropriation for fiscal
21 year 2002, \$250,000 of the general fund--state appropriation for fiscal
22 year 2003, \$564,000 of the state drought preparedness account--state
23 appropriation, and \$549,000 of the water quality account--state
24 appropriation are provided solely for enhanced streamflow monitoring in
25 critical salmon recovery basins. \$640,000 of this amount is provided
26 solely to implement the Puget Sound work plan and agency action item
27 DOE-01.

28 (4) \$1,000,000 of the state toxics control account appropriation in
29 this section is provided solely for the department to work in
30 cooperation with local jurisdictions to address emerging stormwater
31 management requirements. This work shall include developing a storm
32 water manual for eastern Washington, technical assistance to local
33 jurisdictions, and increased implementation of the department's
34 existing storm water program. \$200,000 of this amount is provided
35 solely for implementation of the Puget Sound work plan and agency
36 action item DOE-06.

37 (5) \$383,000 of the general fund--state appropriation for fiscal
38 year 2002 and \$383,000 of the general fund--state appropriation for

1 fiscal year 2003 are provided solely for water conservation plan
2 review, technical assistance, and project review for water conservation
3 and reuse projects. By December 1, 2003, the department in cooperation
4 with the department of health shall report to the governor and
5 appropriate committees of the legislature on the activities and
6 achievements related to water conservation and reuse during the past
7 two biennia. The report shall include an overview of technical
8 assistance provided, reuse project development activities, and water
9 conservation achievements.

10 (6) \$3,424,000 of the state toxics control account appropriation is
11 provided solely for methamphetamine lab clean up activities.

12 (7) \$800,000 of the state toxics control account appropriation is
13 provided solely to implement the department's persistent,
14 bioaccumulative toxic chemical strategy. \$54,000 of this amount shall
15 be allocated to the department of health to assist with this effort.

16 (8) Up to \$11,365,000 of the state toxics control account
17 appropriation is provided for the remediation of contaminated sites.
18 Of this amount, up to \$2,000,000 may be used to pay existing site
19 remediation liabilities owed to the federal environmental protection
20 agency for clean-up work that has been completed. The department shall
21 carefully monitor actual revenue collections into the state toxics
22 control account, and is authorized to limit actual expenditures of the
23 appropriation provided in this section consistent with available
24 revenue.

25 (9) \$200,000 of the state toxics control account appropriation is
26 provided to assess the effectiveness of the state's current toxic
27 pollution prevention and dangerous waste programs and policies. The
28 department shall work with affected stakeholder groups and the public
29 to evaluate the performance of existing programs, and identify feasible
30 methods of reducing the generation of these wastes. The department
31 shall report its findings to the governor and the appropriate
32 committees of the legislature by September 30, 2002.

33 (10) \$1,200,000 of the state toxics control account appropriation
34 is provided solely for the department, in conjunction with affected
35 local governments, to address emergent areawide soil contamination
36 problems. The department's efforts will include public involvement
37 processes and completing assessments of the geographical extent of
38 toxic contamination including highly contaminated areas.

1 (11) \$170,000 of the oil spill prevention account appropriation is
2 provided solely for implementation of the Puget Sound work plan action
3 item UW-02 through a contract with the University of Washington's sea
4 grant program to develop an educational program targeted to small
5 spills from commercial fishing vessels, ferries, cruise ships, ports,
6 and marinas.

7 (12) \$1,500,000 of the general fund--state appropriation for fiscal
8 year 2002, \$1,500,000 of the general fund--state appropriation for
9 fiscal year 2003, and \$3,000,000 of the water quality account
10 appropriation are provided solely to implement chapter 237, Laws of
11 2001 (Engrossed Substitute House Bill No. 1832, water resources
12 management) and to support the processing of applications for changes
13 and transfers of existing water rights.

14 (13) \$4,500,000 of the general fund--state appropriation for fiscal
15 year 2002 and \$4,500,000 of the general fund--state appropriation for
16 fiscal year 2003 are provided solely for grants to local governments to
17 conduct watershed planning.

18 (14) \$3,114,000 of the water quality account appropriation is
19 provided solely to implement Engrossed Substitute House Bill No. 1832
20 (water resources management). Of this amount: (a) \$2,100,000 is
21 provided for grants to local governments for targeted watershed
22 assessments consistent with Engrossed Substitute House Bill No. 1832;
23 and (b) the remainder of the funding is provided solely for development
24 of a state environmental policy act template to streamline
25 environmental review, creation of a blue ribbon panel to develop long-
26 term watershed planning implementation funding options, and technical
27 assistance.

28 (15) \$50,000 of the general fund--state appropriation for fiscal
29 year 2002 is for a conservation district in the Moses Lake region for
30 a culvert removal project on Rocky Ford creek for the purpose of
31 reducing flooding and improving water quality.

32 (16) \$150,000 of the general fund--state appropriation for fiscal
33 year 2002 and \$150,000 of the general fund--state appropriation for
34 fiscal year 2003 are for the conservation commission for the Washington
35 grazing lands conservation initiative's establishment of the Washington
36 watershed, science, and technology program to provide technical
37 assistance to private landowners in conducting water quality
38 monitoring, riparian vegetation management, and noxious weed control.

1 (17) \$75,000 of the general fund--state appropriation for fiscal
2 year 2002 is for a conservation district in the Palouse region for a
3 pilot project to evaluate the ability of existing voluntary and
4 regulatory programs to improve water quality in water quality limited
5 segments listed pursuant to section 303(d) of the federal clean water
6 act.

7 (18) \$200,000 of the water quality account appropriation is
8 provided solely to provide coordination and assistance to groups
9 established for the purpose of protecting, enhancing, and restoring the
10 biological, chemical, and physical processes of watersheds. These
11 groups may include those involved in coordinated resource management,
12 regional fisheries enhancement groups, conservation districts,
13 watershed councils, and private nonprofit organizations incorporated
14 under Title 24 RCW.

15 (19) \$325,000 of the state drought preparedness account--state
16 appropriation is provided solely for an environmental impact statement
17 of the Pine Hollow reservoir project to be conducted in conjunction
18 with the local irrigation district.

19 (20) \$1,700,000 of the general fund--state appropriation for fiscal
20 year 2002 and \$280,000 of the oil spill prevention account
21 appropriation are provided solely for oil spill prevention measures in
22 Puget Sound. Of these amounts:

23 (a) The general fund appropriation is provided solely for the
24 department of ecology to provide for charter safety tug services.
25 Safety tug services shall include: (i) The placement of a dedicated
26 tug at Neah Bay for not less than 200 days in fiscal year 2002; and
27 (ii) other safety tug services that may be dispatched by the department
28 at the request of the United States coast guard captain of the port for
29 Puget Sound to the areas or incidents that the department deems to be
30 of highest concern. By January 10, 2002, the department shall report
31 to the appropriate committees of the legislature regarding the number
32 of dispatches, response time and distance, and other factors pertaining
33 to the safety tug services. The general fund--state appropriation in
34 this subsection is provided solely for implementation of the Puget
35 Sound work plan and agency action item DOE-09;

36 (b) \$100,000 of the oil spill prevention account appropriation is
37 provided solely for the department to conduct a vessel transponder
38 feasibility study for Washington waters and undertake a trial vessel
39 tracking program using transponders. In conducting the feasibility

study and trial program, the department of ecology shall consult with state pilotage authorities, the maritime industry and the United States coast guard; and

(c) \$180,000 of the oil spill prevention account appropriation is provided solely to acquire vessel incident reporting information.

The governor shall request the federal government to provide ongoing resources to station a dedicated rescue tug at Neah Bay.

(21) \$600,000 of the water quality account--state appropriation is provided solely for setting instream flows in six basins not currently planning under the watershed planning act.

NEW SECTION. Sec. 303. FOR THE STATE PARKS AND RECREATION COMMISSION

General Fund--State Appropriation (FY 2002)	\$	30,798,000
General Fund--State Appropriation (FY 2003)	\$	31,366,000
General Fund--Federal Appropriation	\$	2,690,000
General Fund--Private/Local Appropriation	\$	60,000
Winter Recreation Program Account--State		
Appropriation	\$	787,000
Off Road Vehicle Account--State Appropriation	\$	274,000
Snowmobile Account--State Appropriation	\$	4,682,000
Aquatic Lands Enhancement Account--State		
Appropriation	\$	337,000
Public Safety and Education Account--State		
Appropriation	\$	48,000
Water Trail Program Account--State		
Appropriation	\$	24,000
Parks Renewal and Stewardship Account--		
State Appropriation	\$	26,420,000
TOTAL APPROPRIATION	\$	97,486,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Fees approved by the state parks and recreation commission in 2001 are authorized to exceed the fiscal growth factor under RCW 43.135.055.

(2) The state parks and recreation commission, in collaboration with the office of financial management and legislative staff, shall develop a cost-effective and readily accessible approach for reporting

revenues and expenditures at each state park. The reporting system shall be complete and operational by December 1, 2001.

(3) The appropriation in this section from the off-road vehicle account--state is provided under RCW 46.09.170(1)(c) and is provided solely to bring off-road vehicle recreation facilities into compliance with the requirements, guidelines, spirit, and intent of the federal Americans with disabilities act.

(4) \$79,000 of the general fund--state appropriation for fiscal year 2002, \$79,000 of the general fund--state appropriation for fiscal year 2003, and \$8,000 of the winter recreation program account--state appropriation are provided solely for a grant for the operation of the Northwest avalanche center.

(5) \$432,000 of the parks renewal and stewardship account appropriation is provided for the operation of the Silver Lake visitor center. If a long-term management agreement is not reached with the U.S. forest service by September 30, 2001, the amount provided in this subsection shall lapse.

(6) \$189,000 of the aquatic lands enhancement account appropriation is provided solely for the implementation of the Puget Sound work plan and agency action item P+RC-02.

NEW SECTION. Sec. 304. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION

General Fund--State Appropriation (FY 2002)	\$	393,000
General Fund--State Appropriation (FY 2003)	\$	395,000
General Fund--Federal Appropriation	\$	8,358,000
Firearms Range Account--State Appropriation	\$	13,000
Recreation Resources Account--State Appropriation	\$	2,584,000
Recreation Resources Account--Federal Appropriation	\$	481,000
NOVA Program Account--State Appropriation	\$	611,000
Water Quality Account--State Appropriation	\$	700,000
State Toxics Control Account--State Appropriation	\$	500,000
TOTAL APPROPRIATION	\$	14,035,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$250,000 of the general fund--state appropriation for fiscal year 2002, \$250,000 of the general fund--state appropriation for fiscal year 2003, \$500,000 of the water quality account appropriation, and

1 \$500,000 of the state toxics control account appropriation are provided
2 solely to implement chapter 298, Laws of 2001, Substitute Senate Bill
3 No. 5637 (watershed health monitoring and assessment) and for the
4 development of a comprehensive salmon recovery and watershed health
5 monitoring strategy and action plan. The strategy and action plan
6 shall address the monitoring recommendations of the independent science
7 panel in its report, *Recommendations for Monitoring Salmonid Recovery*
8 *in Washington State* (December 2000), and of the joint legislative audit
9 and review committee in its report *Investing in the Environment:*
10 *Environmental Quality Grant and Loan Programs Performance Audit*
11 (January 2001). The action plan shall include an assessment of state
12 agency operations related to monitoring, evaluation, and adaptive
13 management of salmon recovery and watershed health; any operational or
14 statutory changes necessary to implement the strategy and action plan;
15 and funding recommendations.

16 (2) \$8,000,000 of the general fund--federal appropriation is
17 provided solely for implementation of the forest and fish agreement
18 rules. These funds will be passed through to the department of natural
19 resources and the department of fish and wildlife.

20 (3) By August 1, 2001, the interagency committee for outdoor
21 recreation shall complete the public lands inventory project and submit
22 the project report to the joint legislative audit and review committee
23 for review.

24 **NEW SECTION. Sec. 305. FOR THE ENVIRONMENTAL HEARINGS OFFICE**

25	General Fund--State Appropriation (FY 2002) \$	846,000
26	General Fund--State Appropriation (FY 2003)	. . . . . \$	847,000
27	TOTAL APPROPRIATION	. . . . . \$	1,693,000

28 **NEW SECTION. Sec. 306. FOR THE CONSERVATION COMMISSION**

29	General Fund--State Appropriation (FY 2002)	. . \$	2,207,000
30	General Fund--State Appropriation (FY 2003)	. . \$	2,196,000
31	Water Quality Account--State Appropriation	. . \$	3,739,000
32	TOTAL APPROPRIATION	. . . . . \$	8,142,000

33 The appropriations in this section are subject to the following
34 conditions and limitations:

35 (1) \$500,000 of the water quality account--state appropriation is
36 provided solely for the agriculture, fish, and water negotiations to

develop best management practices that will protect and recover salmon.
The commission shall make grants to allow interest groups to participate in the negotiations.

(2) \$1,601,000 of the water quality account--state appropriation is provided solely for the completion of limiting factors analysis for watersheds affected by listings of salmon and bull trout under the federal endangered species act.

(3) \$247,000 of the general fund--state appropriation for fiscal year 2002 and \$247,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the implementation of the Puget Sound work plan and agency action item CC-01.

(4) By March 1, 2002, the conservation reserve enhancement program contract with the federal farm service agency shall be proposed for amendment to allow funding of flexible riparian buffer standards consistent with: (a) The recommendations of the state's agriculture/fish/water negotiation process; or (b) ordinances adopted through municipal regulations in compliance with the state growth management act requirement to protect critical areas. These ordinances shall be scientifically defensible and include programs for monitoring and adaptive management.

NEW SECTION. Sec. 307. FOR THE DEPARTMENT OF FISH AND WILDLIFE

General Fund--State Appropriation (FY 2002)	\$	50,950,000
General Fund--State Appropriation (FY 2003)	\$	51,412,000
General Fund--Federal Appropriation	\$	37,366,000
General Fund--Private/Local Appropriation	\$	24,365,000
Off Road Vehicle Account--State		
Appropriation	\$	475,000
Aquatic Lands Enhancement Account--State		
Appropriation	\$	6,094,000
Public Safety and Education Account--State		
Appropriation	\$	586,000
Recreational Fisheries Enhancement Account--		
State Appropriation	\$	3,032,000
Warm Water Game Fish Account--State		
Appropriation	\$	2,567,000
Eastern Washington Pheasant Enhancement Account--		
State Appropriation	\$	750,000
Wildlife Account--State Appropriation	\$	48,518,000

1	Wildlife Account--Federal Appropriation	\$	38,182,000
2	Wildlife Account--Private/Local		
3	Appropriation	\$	15,133,000
4	Game Special Wildlife Account--State		
5	Appropriation	\$	1,941,000
6	Game Special Wildlife Account--Federal		
7	Appropriation	\$	9,591,000
8	Game Special Wildlife Account--Private/Local		
9	Appropriation	\$	350,000
10	Water Quality Account--State Appropriation	\$	1,000,000
11	Environmental Excellence Account--State		
12	Appropriation	\$	15,000
13	Regional Fisheries Salmonid Recovery Account--		
14	Federal Appropriation	\$	1,750,000
15	Oil Spill Administration Account--State		
16	Appropriation	\$	963,000
17	Oyster Reserve Land Account--State		
18	Appropriation	\$	135,000
19	TOTAL APPROPRIATION	\$	295,175,000

20 The appropriations in this section are subject to the following
21 conditions and limitations:

22 (1) \$1,682,000 of the general fund--state appropriation for fiscal
23 year 2002 and \$1,682,000 of the general fund--state appropriation for
24 fiscal year 2003 are provided solely for the implementation of the
25 Puget Sound work plan and agency action items DFW-01 through DFW-07.

26 (2) Any indirect cost reimbursement received by the department from
27 federal grants must be spent on agency administrative activities and
28 cannot be redirected to direct program activities.

29 (3) \$200,000 of the general fund--state appropriation for fiscal
30 year 2002 and \$200,000 of the general fund--state appropriation for
31 fiscal year 2003 are provided solely for the department to update the
32 salmon and steelhead stock inventory.

33 (4) \$550,000 of the general fund--state appropriation for fiscal
34 year 2002 and \$550,000 of the general fund--state appropriation for
35 fiscal year 2003 are provided solely for salmonid smolt production
36 monitoring.

37 (5) \$250,000 of the general fund--state appropriation for fiscal
38 year 2002 and \$250,000 of the general fund--state appropriation for

1 fiscal year 2003 are provided solely for the department to implement a
2 hatchery endangered species act response. The response shall include
3 emergency hatchery responses, production, and retrofitting of
4 hatcheries for salmon recovery.

5 (6) \$600,000 of the general fund--state appropriation for fiscal
6 year 2002 and \$600,000 of the general fund--state appropriation for
7 fiscal year 2003 are provided solely for local salmon recovery
8 technical assistance.

9 (7) \$1,625,000 of the general fund--state appropriation for fiscal
10 year 2002 and \$1,625,000 of the general fund--state appropriation for
11 fiscal year 2003 are provided solely to fund grants to lead entities
12 established under chapter 77.85 RCW. The department, in consultation
13 with the lead entity advisory group and individual lead entities, shall
14 establish an application process and evaluation criteria to allocate
15 funds to up to 26 lead entities to provide core activities identified
16 in chapter 77.85 RCW. Grants to individual lead entities may range
17 from \$37,500 to \$150,000 per year.

18 (8) \$125,000 of the general fund--state appropriation for fiscal
19 year 2002 and \$125,000 of the general fund--state appropriation for
20 fiscal year 2003 are provided solely for a grant to the lower Skykomish
21 River habitat conservation group for the purpose of developing a salmon
22 recovery plan, in coordination with the lead entity established under
23 chapter 77.85 RCW for that area. The salmon recovery plan must be
24 consistent with the regional recovery plans of the Puget Sound shared
25 strategy and criteria developed by the department for the regional
26 salmon recovery planning program.

27 (9) \$1,000,000 of the water quality--state appropriation is
28 provided solely to fund grants to lead entities established under
29 chapter 77.85 RCW or watershed planning units established under chapter
30 90.82 RCW that agree to coordinate the development of comprehensive
31 local and regional salmon recovery plans. The department shall
32 establish a model for local and regional plans as well as eligibility
33 and evaluation criteria for distribution of funds to lead entities and
34 watershed planning units. No annual grant shall exceed \$125,000 per
35 year.

36 (10) \$91,000 of the warm water game fish account appropriation is
37 provided solely for warm water fish culture at the Rod Meseberg warm
38 water fish production facility.

1 (11) \$300,000 of the general fund--state appropriation for fiscal
2 year 2002 and \$300,000 of the general fund--state appropriation for
3 fiscal year 2003 are provided solely to fund four cooperative
4 compliance programs, two in Western Washington and two in Eastern
5 Washington. The cooperative compliance program shall conduct fish
6 screen, fish way, and fish passage barrier assessments and correction
7 plans for landowners seeking cooperative compliance agreements with the
8 department.

9 (12) \$650,000 of the general fund--state appropriation for fiscal
10 year 2002, \$650,000 of the general fund--state appropriation for fiscal
11 year 2003, and \$5,000,000 of the general fund--federal appropriation
12 are provided solely for economic adjustment assistance to fishermen
13 pursuant to the 1999 Pacific salmon treaty agreement.

14 (13) \$2,000,000 of the aquatic lands enhancement account
15 appropriation is provided for cooperative volunteer projects.

16 (14) \$810,000 of the general fund--state appropriation for fiscal
17 year 2002, \$790,000 of the general fund--state appropriation for fiscal
18 year 2003, and \$250,000 of the wildlife account--state appropriation
19 are provided solely for enforcement and biological staff to respond and
20 take appropriate action to public complaints regarding bear and cougar.

21 (15) The department shall evaluate the fish program to determine if
22 activities are aligned with agency objectives. The report will include
23 a core function analysis of all fish program activity to determine if
24 specific activities support the agency's strategic plan. The
25 department shall submit a report to the legislature and the office of
26 financial management by September 1, 2002.

27 (16) The department shall implement a lands program manager
28 consolidation program. The consolidation program shall target the
29 department's south central region. The savings from this consolidation
30 shall be used by the department for additional maintenance on agency
31 lands within the south central region.

32 (17) The department shall implement a survey of all agency lands to
33 evaluate whether agency lands support the agency's strategic plan and
34 goals. The department shall submit a report to the governor and
35 legislature by September 1, 2002, identifying those lands not
36 conforming with the agency's strategic plan and which should be
37 divested.

38 (18) \$388,000 of the general fund--state appropriation for fiscal
39 year 2002 and \$388,000 of the general fund--state appropriation for

1 fiscal year 2003 are provided solely to implement the forests and fish
2 agreement and includes funding to continue statewide coordination and
3 implementation of the forests and fish rules, integration of portions
4 of the hydraulic code into the forest practices rules to provide permit
5 streamlining, and sharing the responsibility of developing and
6 implementing the required forests and fish agreement monitoring and
7 adaptive management program.

8 (19) \$194,000 of the general fund--state appropriation for fiscal
9 year 2002 and \$195,000 of the general fund--state appropriation for
10 fiscal year 2003 are provided solely for staff to represent the state's
11 fish and wildlife interests in hydroelectric project relicensing
12 processes by the federal energy regulatory commission.

13 (20) \$156,000 of the wildlife account--state appropriation is
14 provided solely for a youth fishing coordinator to develop partnerships
15 with local communities, and to identify, develop, fund, and promote
16 youth fishing events and opportunities. Event coordination and
17 promotion services shall be contracted to a private consultant.

18 (21) \$135,000 of the oyster reserve land account appropriation is
19 provided solely to implement chapter 273, Laws of 2001, Engrossed
20 Second Substitute House Bill No. 1658 (state oyster reserve lands).

21 (22) \$43,000 of the general fund--state appropriation for fiscal
22 year 2002 and \$42,000 of the general fund--state appropriation for
23 fiscal year 2003 are provided solely for staffing and operation of the
24 Tennant Lake interpretive center.

25 (23) \$32,000 of the general fund--state appropriation for fiscal
26 year 2002 and \$33,000 of the general fund--state appropriation for
27 fiscal year 2003 are provided solely to support the activities of the
28 aquatic nuisance species coordination committee to foster state,
29 federal, tribal, and private cooperation on aquatic nuisance species
30 issues. The committee shall strive to prevent the introduction of
31 nonnative aquatic species and to minimize the spread of species that
32 are introduced.

33 (24) \$25,000 of the wildlife account--state appropriation is
34 provided solely for the WildWatchCam program to provide internet
35 transmission of live views of wildlife.

36 (25) \$8,000 of the general fund--state appropriation for fiscal
37 year 2002 and \$7,000 of the general fund--state appropriation for
38 fiscal year 2003 are provided solely for the payment of the
39 department's share of approved lake management district assessments.

1 By December 15, 2001, the department shall provide the legislature a
2 summary of its activities related to lake management districts as well
3 as recommendations for establishing equitable lake management district
4 assessments.

5 NEW SECTION. **Sec. 308. FOR THE DEPARTMENT OF NATURAL RESOURCES**

6	General Fund--State Appropriation (FY 2002) . . .	\$	36,709,000
7	General Fund--State Appropriation (FY 2003) . . .	\$	36,266,000
8	General Fund--Federal Appropriation	\$	3,440,000
9	General Fund--Private/Local Appropriation . . .	\$	1,865,000
10	Forest Development Account--State		
11	Appropriation	\$	52,511,000
12	Off Road Vehicle Account--State		
13	Appropriation	\$	3,684,000
14	Surveys and Maps Account--State		
15	Appropriation	\$	2,689,000
16	Aquatic Lands Enhancement Account--State		
17	Appropriation	\$	4,458,000
18	Resources Management Cost Account--State		
19	Appropriation	\$	85,979,000
20	Surface Mining Reclamation Account--State		
21	Appropriation	\$	2,549,000
22	Salmon Recovery Account--State		
23	Appropriation	\$	625,000
24	Water Quality Account--State Appropriation . .	\$	2,900,000
25	Aquatic Land Dredged Material Disposal Site		
26	Account--State Appropriation	\$	1,056,000
27	Natural Resource Conservation Areas Stewardship		
28	Account Appropriation	\$	34,000
29	Air Pollution Control Account--State		
30	Appropriation	\$	629,000
31	Metals Mining Account--State Appropriation . .	\$	64,000
32	Agricultural College Trust Management Account		
33	Appropriation	\$	1,790,000
34	TOTAL APPROPRIATION	\$	237,248,000

35 The appropriations in this section are subject to the following
36 conditions and limitations:

1 (1) \$18,000 of the general fund--state appropriation for fiscal
2 year 2002, \$18,000 of the general fund--state appropriation for fiscal
3 year 2003, and \$998,000 of the aquatic lands enhancement account
4 appropriation are provided solely for the implementation of the Puget
5 Sound work plan and agency action items DNR-01, DNR-02, and DNR-04.

6 (2)(a) \$625,000 of the salmon recovery account appropriation,
7 \$1,250,000 of the general fund--state appropriation for fiscal year
8 2002, \$1,250,000 of the general fund--state appropriation for fiscal
9 year 2003, and \$2,900,000 of the water quality account--state
10 appropriation are provided solely for implementation of chapter 4, Laws
11 of 1999 sp. sess. (forest practices and salmon recovery).

12 (b) \$250,000 of the salmon recovery account appropriation is
13 provided solely for and shall be expended to develop a small forest
14 landowner data base in ten counties. \$150,000 of the amount in this
15 subsection shall be used to purchase the data. \$100,000 of the amount
16 in this subsection shall purchase contracted analysis of the data.

17 (3) \$2,000,000 of the forest development account appropriation is
18 provided solely for road decommissioning, maintenance, and repair in
19 the Lake Whatcom watershed.

20 (4) \$543,000 of the forest fire protection assessment account
21 appropriation, \$22,000 of the forest development account appropriation,
22 and \$76,000 of the resource management cost account appropriation are
23 provided solely to implement chapter 279, Laws of 2001, Substitute
24 House Bill No. 2104, (modifying forest fire protection assessments).

25 (5) \$895,000 of the general fund--state appropriation for fiscal
26 year 2002 and \$895,000 of the general fund--state appropriation for
27 fiscal year 2003 are provided solely to manage approximately 70,700
28 acres of Washington State University's agricultural college trust
29 lands.

30 (6) The entire appropriation from the access road revolving fund is
31 provided solely for and shall be expended to survey, map, and evaluate
32 and construct, improve, or abandon trust land roads to meet the
33 requirements of the forests and fish agreement.

34 (7) \$4,000 of the general fund--state appropriation for fiscal year
35 2002 and \$4,000 of the general fund--state appropriation for fiscal
36 year 2003 are provided solely to compensate the forest board trust for
37 a portion of the lease to the Crescent television improvement district
38 consistent with RCW 79.12.055.

1 (8) The appropriation from the off-road vehicle account--state is
2 provided under RCW 46.09.170(1)(a)(ii) and is provided solely for
3 projects that bring off-road vehicle recreation facilities into
4 compliance with the requirements, guidelines, spirit, and intent of the
5 federal Americans with disabilities act and do not compromise or impair
6 sensitive natural resources.

7 (9) \$828,000 of the surface mine reclamation account appropriation
8 is provided to implement Engrossed House Bill No. 1845 (surface mining
9 fees). If the bill is not enacted by June 30, 2001, the amount
10 provided in this subsection shall lapse.

11 (10) \$800,000 of the aquatic lands enhancement account
12 appropriation and \$200,000 of the resources management cost account
13 appropriation are provided solely to improve asset management on state-
14 owned aquatic lands. The department shall streamline the use
15 authorization process for businesses operating on state-owned aquatic
16 lands and issue decisions on 325 pending lease applications by June 30,
17 2002. The department, in consultation with the attorney general, shall
18 develop a strategic program to resolve claims related to contaminated
19 sediments on state-owned aquatic lands.

20 (11) \$246,000 of the resource management cost account appropriation
21 is provided to the department for continuing control of spruce budworm.

22 (12) \$100,000 of the aquatic lands enhancement account is provided
23 solely for the development and initial implementation of a statewide
24 management plan for the following marine reserves: Cherry Point marine
25 reserve, Fidalgo Bay marine reserve, Commencement Bay marine reserve,
26 Cypress Island marine reserve, and Maury Island marine reserve.

27 (13) \$7,657,859 of the general fund--state appropriation for fiscal
28 year 2002 and \$7,657,859 of the general fund--state appropriation for
29 fiscal year 2003 are provided solely for emergency fire suppression.

30 (14) \$7,216,000 of the general fund--state appropriation for fiscal
31 year 2002 and \$6,584,000 of the general fund--state appropriation for
32 fiscal year 2003 are provided solely for fire protection activities and
33 to implement provisions of the 1997 tridata fire program review.

34 (15) \$275,000 of the general fund--state appropriation for fiscal
35 year 2002, \$275,000 of the general fund--state appropriation for fiscal
36 year 2003, and \$550,000 of the aquatic lands enhancement account--state
37 appropriation are provided solely to the department for planning,
38 management, and stewardship of natural area preserves and natural
39 resources conservation areas.

(16) \$187,000 of the general fund--state appropriation for fiscal year 2002, \$188,000 of the general fund--state appropriation for fiscal year 2003, and \$375,000 of the aquatic lands enhancement account--state appropriation are provided solely to the department for maintenance and stewardship of public lands.

(17) \$100,000 of the general fund--state appropriation for fiscal year 2002, \$100,000 of the general fund--state appropriation for fiscal year 2003, and \$400,000 of the aquatic lands enhancement account appropriation are provided solely for spartina control.

NEW SECTION. Sec. 309. FOR THE DEPARTMENT OF AGRICULTURE

General Fund--State Appropriation (FY 2002)	\$	8,165,000
General Fund--State Appropriation (FY 2003)	\$	8,024,000
General Fund--Federal Appropriation	\$	4,636,000
General fund--Private/Local Appropriation	\$	1,110,000
Aquatic Lands Enhancement Account--State		
Appropriation	\$	2,304,000
State Toxics Control Account--State		
Appropriation	\$	2,672,000
TOTAL APPROPRIATION	\$	26,911,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$36,000 of the general fund--state appropriation for fiscal year 2002 and \$37,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for implementation of the Puget Sound work plan and agency action item DOA-01.

(2) \$832,000 of the state toxics control account appropriation and \$298,000 of the agricultural local account are provided solely to establish a program to monitor pesticides in surface water, evaluate pesticide exposure on salmon species listed under the provisions of the endangered species act, and implement actions needed to protect salmonids.

(3) \$1,480,000 of the aquatic lands enhancement account appropriation is provided solely to initiate a four-year plan to eradicate infestations of spartina in Puget Sound, Hood Canal, and Grays Harbor and begin the reduction in spartina infestations in Willapa Bay.

(4) \$75,000 of the general fund--state appropriation for fiscal year 2002, \$75,000 of the general fund--state appropriation for fiscal year 2003, and \$150,000 of the general fund--federal appropriation are provided solely to the small farm and direct marketing program to support small farms in complying with federal, state, and local regulations, facilitating access to food processing centers, and assisting with grant funding requests.

(5) \$350,000 of the general fund--state appropriation for fiscal year 2002, \$350,000 of the general fund--state appropriation for fiscal year 2003, and \$700,000 of the general fund--private/local appropriation are provided solely to implement chapter 324, Laws of 2001 (Substitute House Bill No. 1891, marketing of agriculture). Of these amounts, \$40,000 of the general fund--state appropriation is provided solely to match funds provided by the red raspberry commission to address unfair trade practices by other countries that result in sales in Washington that are below the cost of production in Washington.

(6) \$450,000 of the state toxics control account--state appropriation is provided solely for deposit in the agricultural local nonappropriated account for the plant pest account to reimburse county horticultural pest and disease boards for the costs of pest control activities, including tree removal, conducted under their existing authorities in chapters 15.08 and 15.09 RCW.

NEW SECTION. Sec. 310. FOR THE WASHINGTON POLLUTION LIABILITY REINSURANCE PROGRAM

Pollution Liability Insurance Program Trust Account--

State Appropriation	\$	1,003,000
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(End of part)

PART IV
TRANSPORTATION

NEW SECTION. **Sec. 401. FOR THE DEPARTMENT OF LICENSING**

General Fund--State Appropriation (FY 2002) . . .	\$	5,389,000
General Fund--State Appropriation (FY 2003) . . .	\$	5,377,000
Architects' License Account--State		
Appropriation	\$	707,000
Cemetery Account--State Appropriation	\$	214,000
Professional Engineers' Account--State		
Appropriation	\$	3,032,000
Real Estate Commission--State Appropriation . . .	\$	6,777,000
Master License Account--State Appropriation . . .	\$	8,409,000
Uniform Commercial Code Account--State		
Appropriation	\$	3,104,000
Real Estate Education Account--State		
Appropriation	\$	301,000
Funeral Directors and Embalmers Account--State		
Appropriation	\$	490,000
Washington Real Estate Research Account		
Appropriation	\$	316,000
Data Processing Revolving Account--State		
Appropriation	\$	23,000
TOTAL APPROPRIATION	\$	34,139,000

The appropriations in this section are subject to the following conditions and limitations: In accordance with RCW 43.24.086, it is the policy of the state of Washington that the cost of each professional, occupational, or business licensing program be fully borne by the members of that profession, occupation, or business. For each licensing program covered by RCW 43.24.086, the department shall set fees at levels sufficient to fully cover the cost of administering the licensing program, including any costs associated with policy enhancements funded in the 2001-03 fiscal biennium. Pursuant to RCW 43.135.055, during the 2001-03 fiscal biennium, the department may increase fees in excess of the fiscal growth factor if the increases are necessary to fully fund the costs of the licensing programs.

NEW SECTION. **Sec. 402. FOR THE STATE PATROL**

General Fund--State Appropriation (FY 2002) . . .	\$	21,890,000
General Fund--State Appropriation (FY 2003) . . .	\$	8,066,000
General Fund--Federal Appropriation	\$	4,178,000
General Fund--Private/Local Appropriation . . .	\$	369,000
Death Investigations Account--State		
Appropriation	\$	3,899,000
Public Safety and Education Account--State		
Appropriation	\$	16,070,000
County Criminal Justice Assistance Account--State		
Appropriation	\$	2,490,000
Municipal Criminal Justice Assistance Account--		
State Appropriation	\$	987,000
Fire Service Trust Account--State		
Appropriation	\$	125,000
Fire Service Training Account--State		
Appropriation	\$	6,328,000
State Toxics Control Account--State		
Appropriation	\$	461,000
Violence Reduction and Drug Enforcement Account--		
State Appropriation	\$	277,000
Fingerprint Identification Account--State		
Appropriation	\$	3,684,000
TOTAL APPROPRIATION	\$	68,824,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$354,000 of the public safety and education account appropriation is provided solely for additional law enforcement and security coverage on the west capitol campus.

(2) When a program within the agency is supported by more than one fund and one of the funds is the state general fund, the agency shall charge its expenditures in such a manner as to ensure that each fund is charged in proportion to its support of the program. The agency may adopt guidelines for the implementation of this subsection. The guidelines may account for federal matching requirements, budget provisos, or other requirements to spend other moneys in a particular manner.

(3) \$100,000 of the public safety and education account appropriation is provided solely for the implementation of Substitute Senate Bill No. 5896 (DNA testing of evidence). If the bill is not enacted by June 30, 2001, the amount provided in this subsection shall lapse.

(4) \$1,419,000 of the public safety and education account--state appropriation is provided solely for combating the proliferation of methamphetamine labs. The amounts in this subsection are provided solely for the following activities: (a) The establishment of a regional methamphetamine enforcement, training, and education program; (b) additional members for the statewide methamphetamine incident response team; and (c) two forensic scientists with the necessary equipment to perform lab analysis in the crime laboratory division.

(5) A study regarding the mobilization of state fire service resources in response to state declared mobilizations shall be performed by the chief of the Washington state patrol through the director of fire protection. The study shall examine and evaluate the cost effectiveness and efficiency of the fire services mobilization plan, and the fire resources mobilization processes and procedures. One member of each of the following organizations shall be represented and shall provide assistance to the director of fire protection with this task: Emergency management division, department of natural resources, Washington state fire commissioners, Washington state association of fire chiefs, Washington state association of fire fighters, and the Washington state fire fighters council. In addition, one rural fire chief and one urban fire chief shall be designated. The chief of the Washington state patrol shall report the findings through the director of fire protection to the fiscal committees of the legislature by December 1, 2001.

(6) Beginning in fiscal year 2003, the funding provided in this subsection assumes a transfer of \$12,623,000 of state patrol expenditures from the omnibus operating budget to the transportation budget. If new transportation revenue is not enacted before this time, the omnibus budget will restore this funding in the 2002 legislative session.

(End of part)

PART V
EDUCATION

NEW SECTION. **Sec. 501. FOR THE SUPERINTENDENT OF PUBLIC
INSTRUCTION**

(1) STATE AGENCY OPERATIONS

General Fund--State Appropriation (FY 2002) . . . \$	12,357,000
General Fund--State Appropriation (FY 2003) . . . \$	12,266,000
General Fund--Federal Appropriation \$	23,668,000
TOTAL APPROPRIATION \$	48,291,000

The appropriations in this section are subject to the following conditions and limitations:

(a) \$11,385,000 of the general fund--state appropriation for fiscal year 2002 and \$11,394,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the operation and expenses of the office of the superintendent of public instruction. Of this amount, \$350,000 is provided in each fiscal year for upgrading information systems including the general apportionment and student information systems.

(b) \$541,000 of the general fund--state appropriation for fiscal year 2002 and \$441,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the operation and expenses of the state board of education, including basic education assistance activities. Of the general fund--state appropriation for fiscal year 2002, \$100,000 is provided solely for certificate of mastery development and validation.

(c) \$431,000 of the general fund--state appropriation for fiscal year 2002 and \$431,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the operation and expenses of the Washington professional educator standards board.

(2) STATEWIDE PROGRAMS

General Fund--State Appropriation (FY 2002) . . . \$	17,274,000
General Fund--State Appropriation (FY 2003) . . . \$	19,407,000
General Fund--Federal Appropriation \$	213,016,000
TOTAL APPROPRIATION \$	249,697,000

1 The appropriations in this subsection are provided solely for the
2 statewide programs specified in this subsection and are subject to the
3 following conditions and limitations:

4 (a) HEALTH AND SAFETY

5 (i) A maximum of \$150,000 of the general fund--state appropriation
6 for fiscal year 2002 and a maximum of \$150,000 of the fiscal year 2003
7 appropriation are provided for alcohol and drug prevention programs
8 pursuant to RCW 66.08.180.

9 (ii) A maximum \$2,621,000 of the general fund--state appropriation
10 for fiscal year 2002 and a maximum of \$2,621,000 of the general fund--
11 state appropriation for fiscal year 2003 are provided for a corps of
12 nurses located at educational service districts, as determined by the
13 superintendent of public instruction, to be dispatched to the most
14 needy schools to provide direct care to students, health education, and
15 training for school staff.

16 (iii) A maximum of \$100,000 of the general fund--state
17 appropriation for fiscal year 2002 and a maximum of \$100,000 of the
18 general fund--state appropriation for fiscal year 2003 are provided to
19 create a school safety center subject to the following conditions and
20 limitations.

21 (A) The safety center shall: Disseminate successful models of
22 school safety plans and cooperative efforts; provide assistance to
23 schools to establish a comprehensive safe school plan; select models of
24 cooperative efforts that have been proven successful; act as an
25 information dissemination and resource center when an incident occurs
26 in a school district either in Washington or in another state;
27 coordinate activities relating to school safety; review and approve
28 manuals and curricula used for school safety models and training; and
29 develop and maintain a school safety information web site.

30 (B) The school safety center shall be established in the office of
31 the superintendent of public instruction. The superintendent of public
32 instruction shall participate in a school safety center advisory
33 committee that includes representatives of educators, classified staff,
34 principals, superintendents, administrators, the American society for
35 industrial security, the state criminal justice training commission,
36 and others deemed appropriate and approved by the school safety center
37 advisory committee. Members of the committee shall be chosen by the
38 groups they represent. In addition, the Washington association of

1 sheriffs and police chiefs shall appoint representatives of law
2 enforcement to participate on the school safety center advisory
3 committee. The advisory committee shall select a chair.

4 (C) The school safety center advisory committee shall develop a
5 training program, using the best practices in school safety, for all
6 school safety personnel.

7 (iv) A maximum of \$113,000 of the general fund--state appropriation
8 for fiscal year 2002 and a maximum of \$103,000 of the general fund--
9 state appropriation for fiscal year 2003 are provided for a school
10 safety training program provided by the criminal justice training
11 commission subject to the following conditions and limitations:

12 (A) The criminal justice training commission with assistance of the
13 school safety center advisory committee established in section
14 2(b)(iii) of this section shall develop manuals and curricula for a
15 training program for all school safety personnel.

16 (B) The Washington state criminal justice training commission, in
17 collaboration with the advisory committee, shall provide the school
18 safety training for all school administrators and school safety
19 personnel, including school safety personnel hired after the effective
20 date of this section.

21 (v) A maximum of \$250,000 of the general fund--state appropriation
22 for fiscal year 2002 and a maximum of \$250,000 of the general
23 fund--state appropriation for fiscal year 2003 are provided for
24 training in school districts regarding the prevention of bullying and
25 harassment. The superintendent of public instruction shall use the
26 funds to develop a model bullying and harassment prevention policy and
27 training materials for school and educational service districts. The
28 information may be disseminated in a variety of ways, including
29 workshops and other staff development activities such as videotape or
30 broadcasts.

31 (vi) A maximum of \$6,042,000 of the general fund--state
32 appropriation for fiscal year 2002 and a maximum of \$6,028,000 of the
33 general fund--state appropriation for fiscal year 2003 are provided for
34 a safety allocation to districts subject to the following conditions
35 and limitations:

36 (A) The funds shall be allocated at a maximum rate of \$6.36 per
37 year per full-time equivalent K-12 student enrolled in each school
38 district in the prior school year.

1 (B) Districts shall expend funds allocated under this section to
2 develop and implement strategies identified in a comprehensive safe
3 school plan pursuant to House Bill No. 1818 (student safety) or Senate
4 Bill No. 5543 (student safety). If neither bill is enacted by June 30,
5 2001, expenditures of the safety allocation shall be subject to (i),
6 (ii), and (iii) of this subsection (a)(vi)(B).

7 (i) School districts shall use the funds for school safety purposes
8 and are encouraged to prioritize the use of funds allocated under this
9 section for the development, by September 1, 2002, of school-based
10 comprehensive safe school plans that include prevention, intervention,
11 all-hazards/crisis response, and post crisis recovery components. When
12 developing comprehensive safe school plans, school districts are
13 encouraged to use model school safety plans as developed by the school
14 safety center. Implementation of comprehensive safe school plans may
15 include, but is not limited to, employing or contracting for building
16 security monitors in schools during school hours and school events;
17 research-based early prevention and intervention programs; training for
18 school staff, including security personnel; equipment; school safety
19 hotlines; before, during, and after-school student and staff safety;
20 minor building renovations related to student and staff safety and
21 security; and other purposes identified in the comprehensive safe
22 school plan.

23 (ii) Each school may conduct an evaluation of its comprehensive
24 safe school plan and conduct reviews, drills, or simulated practices in
25 coordination with local fire, law enforcement, and medical emergency
26 management agencies.

27 (iii) By September 1, 2002, school districts shall provide the
28 superintendent of public instruction information regarding the purposes
29 for which the safety allocation funding was used and the status of the
30 comprehensive safe school plans for the schools in the school district.

31 (vii) A maximum of \$200,000 of the general fund--state
32 appropriation for fiscal year 2002, a maximum of \$200,000 of the
33 general fund--state appropriation for fiscal year 2003, and \$400,000 of
34 the general fund--federal appropriation transferred from the department
35 of health are provided for a program that provides grants to school
36 districts for media campaigns promoting sexual abstinence and
37 addressing the importance of delaying sexual activity, pregnancy, and
38 childbearing until individuals are ready to nurture and support their
39 children. Grants to the school districts shall be for projects that

1 are substantially designed and produced by students. The grants shall
2 require a local private sector match equal to one-half of the state
3 grant, which may include in-kind contribution of technical or other
4 assistance from consultants or firms involved in public relations,
5 advertising, broadcasting, and graphics or video production or other
6 related fields.

7 (viii) A maximum of \$150,000 of the general fund--state
8 appropriation for fiscal year 2002 and a maximum of \$150,000 of the
9 general fund--state appropriation for fiscal year 2003 are provided for
10 a nonviolence and leadership training program provided by the institute
11 for community leadership. The program shall provide the following:

12 (A) Statewide nonviolence leadership coaches training program for
13 certification of teachers and community members in nonviolence
14 leadership workshops;

15 (B) Statewide leadership nonviolence student exchanges, training,
16 and speaking opportunities for student workshop participants; and

17 (C) A request for proposal process, with up to 80 percent funding,
18 for nonviolence leadership workshops serving at least 12 school
19 districts with direct programming in 36 elementary, middle, and high
20 schools throughout Washington state.

21 (ix) A maximum of \$1,500,000 of the general fund--state
22 appropriation for fiscal year 2002 and a maximum of \$1,500,000 of the
23 general fund--state appropriation for fiscal year 2003 are provided for
24 school district petitions to juvenile court for truant students as
25 provided in RCW 28A.225.030 and 28A.225.035. Allocation of this money
26 to school districts shall be based on the number of petitions filed.

27 (b) TECHNOLOGY

28 (i) A maximum of \$2,000,000 of the general fund--state
29 appropriation for fiscal year 2002 and a maximum of \$2,000,000 of the
30 general fund--state appropriation for fiscal year 2003 are provided for
31 K-20 telecommunications network technical support in the K-12 sector to
32 prevent system failures and avoid interruptions in school utilization
33 of the data processing and video-conferencing capabilities of the
34 network. These funds may be used to purchase engineering and advanced
35 technical support for the network. A maximum of \$650,000 of this
36 amount may be expended for state-level administration and staff
37 training on the K-20 network.

38 (ii) A maximum of \$617,000 of the general fund--state appropriation
39 for fiscal year 2002 and a maximum of \$1,112,000 of the general fund--

1 state appropriation for fiscal year 2003 are provided for the
2 Washington state leadership assistance for science education reform
3 (LASER) regional partnership coordinated at the Pacific Science Center.

4 (c) GRANTS AND ALLOCATIONS

5 (i) A maximum of \$25,000 of the general fund--state appropriation
6 for fiscal year 2002 and a maximum of \$1,975,000 of the general fund--
7 state appropriation for fiscal year 2003 are provided for Senate Bill
8 No. 5695 (alternative certification routes). If the bill is not
9 enacted by June 30, 2001, the amount provided in this subsection shall
10 lapse. The stipend allocation per teacher candidate and mentor pair
11 shall not exceed \$28,318. The professional educator standards board
12 shall report to the education committees of the legislature by December
13 15, 2002, on the districts applying for partnership grants, the
14 districts receiving partnership grants, and the number of interns per
15 route enrolled in each district.

16 (ii) A maximum of \$31,500 of the general fund--state appropriation
17 for fiscal year 2002 and a maximum of \$31,500 of the general fund--
18 state appropriation for fiscal year 2003 are provided for operation of
19 the Cispus environmental learning center.

20 (iii) A maximum of \$150,000 of the general fund--state
21 appropriation for fiscal year 2002 and a maximum of \$150,000 of the
22 general fund--state appropriation for fiscal year 2003 are provided for
23 the Washington civil liberties education program.

24 (iv) A maximum of \$2,150,000 of the general fund--state
25 appropriation for fiscal year 2002 and a maximum of \$2,150,000 of the
26 general fund--state appropriation for fiscal year 2003 are provided for
27 complex need grants. The maximum grants for eligible districts are
28 specified in LEAP Document 30C as developed on April 27, 1997, at 03:00
29 hours.

30 (v) A maximum of \$1,377,000 of the general fund--state
31 appropriation for fiscal year 2002 and a maximum of \$1,377,000 of the
32 general fund--state appropriation for fiscal year 2003 are provided for
33 educational centers, including state support activities. \$100,000 of
34 this amount is provided to help stabilize funding through distribution
35 among existing education centers that are currently funded by the state
36 at an amount less than \$100,000 a biennium.

37 (vi) A maximum of \$50,000 of the general fund--state appropriation
38 for fiscal year 2002 and a maximum of \$50,000 of the general fund--
39 state appropriation for fiscal year 2003 are provided for an

1 organization in southwest Washington that received funding from the
2 Spokane educational center in the 1995-97 biennium and provides
3 educational services to students who have dropped out of school.

4 (vii) A maximum of \$1,262,000 of the general fund--state
5 appropriation for fiscal year 2002 and a maximum of \$1,262,000 of the
6 general fund--state appropriation for fiscal year 2003 are provided for
7 in-service training and educational programs conducted by the Pacific
8 Science Center.

9 (viii) A maximum of \$100,000 of the general fund--state
10 appropriation for fiscal year 2002 and a maximum of \$100,000 of the
11 general fund--state appropriation for fiscal year 2003 are provided to
12 support vocational student leadership organizations.

13 (ix) \$9,900,000 of the general fund--federal appropriation is
14 provided for the Washington Reads project to enhance high quality
15 reading instruction and school programs.

16 (x) A maximum of \$150,000 of the general fund--state appropriation
17 for fiscal year 2002 and a maximum of \$150,000 of the general fund--
18 state appropriation for fiscal year 2003 are provided for the World War
19 II oral history project.

20 (xi) \$30,700,000 of the general fund--federal appropriation is
21 provided for school renovation grants for school districts with urgent
22 school renovation needs, special education-related renovations, and
23 technology related renovations.

24 (xii) \$1,952,000 of the general fund--federal appropriation is
25 provided for LINKS technology challenge grants to integrate educational
26 reform with state technology systems and development of technology
27 products that enhance professional development and classroom
28 instruction.

29 (xiii) \$423,000 of the general fund--federal appropriation is
30 provided for the advanced placement fee program to increase
31 opportunities for low-income students and under-represented populations
32 to participate in advanced placement courses and to increase the
33 capacity of schools to provide advanced placement courses to students.

34 (xiv) \$12,318,000 of the general fund--federal appropriation is
35 provided for comprehensive school reform demonstration projects to
36 provide grants to low-income schools for improving student achievement
37 through adoption and implementation of research-based curricula and
38 instructional programs.

(xv) \$4,228,000 of the general fund--federal appropriation is provided for teacher quality enhancement through provision of consortia grants to school districts and higher education institutions to improve teacher preparation and professional development.

NEW SECTION. Sec. 502. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL APPORTIONMENT

General Fund--State Appropriation (FY 2002)	. . . \$	3,760,826,000
General Fund--State Appropriation (FY 2003)	. . . \$	3,751,350,000
TOTAL APPROPRIATION	. . . . . \$	7,512,176,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) Allocations for certificated staff salaries for the 2001-02 and 2002-03 school years shall be determined using formula-generated staff units calculated pursuant to this subsection. Staff allocations for small school enrollments in (d) through (f) of this subsection shall be reduced for vocational full-time equivalent enrollments. Staff allocations for small school enrollments in grades K-6 shall be the greater of that generated under (a) of this subsection, or under (d) and (e) of this subsection. Certificated staffing allocations shall be as follows:

(a) On the basis of each 1,000 average annual full-time equivalent enrollments, excluding full-time equivalent enrollment otherwise recognized for certificated staff unit allocations under (c) through (f) of this subsection:

(i) Four certificated administrative staff units per thousand full-time equivalent students in grades K-12;

(ii) 49 certificated instructional staff units per thousand full-time equivalent students in grades K-3;

(iii) Forty-six certificated instructional staff units per thousand full-time equivalent students in grades 4-12; and

(iv) An additional 4.2 certificated instructional staff units for grades K-3 and an additional 7.2 certificated instructional staff units for grade 4. Any funds allocated for the additional certificated units

1 provided in this subsection (iv) shall not be considered as basic
2 education funding;

3 (v) For class size reduction and expanded learning opportunities
4 under the better schools program, an additional 2.2 certificated
5 instructional staff units for grades K-4 per thousand full-time
6 equivalent students. Funds allocated for these additional certificated
7 units shall not be considered as basic education funding. The
8 allocation may be used for reducing class sizes in grades K-4 or to
9 provide additional classroom contact hours for kindergarten, before-
10 and-after-school programs, weekend school programs, summer school
11 programs, and intercession opportunities to assist elementary school
12 students in meeting the essential academic learning requirements and
13 student assessment performance standards. For purposes of this
14 subsection, additional classroom contact hours provided by teachers
15 beyond the normal school day under a supplemental contract shall be
16 converted to a certificated full-time equivalent by dividing the
17 classroom contact hours by 900.

18 (A) Funds provided under this subsection (2)(a)(iv) and (v) in
19 excess of the amount required to maintain the statutory minimum ratio
20 established under RCW 28A.150.260(2)(b) shall be allocated only if the
21 district documents an actual ratio equal to or greater than 55.4
22 certificated instructional staff per thousand full-time equivalent
23 students in grades K-4. For any school district documenting a lower
24 certificated instructional staff ratio, the allocation shall be based
25 on the district's actual grades K-4 certificated instructional staff
26 ratio achieved in that school year, or the statutory minimum ratio
27 established under RCW 28A.150.260(2)(b), if greater;

28 (B) Districts at or above 51.0 certificated instructional staff per
29 one thousand full-time equivalent students in grades K-4 may dedicate
30 up to 1.3 of the 55.4 funding ratio to employ additional classified
31 instructional assistants assigned to basic education classrooms in
32 grades K-4. For purposes of documenting a district's staff ratio under
33 this section, funds used by the district to employ additional
34 classified instructional assistants shall be converted to a
35 certificated staff equivalent and added to the district's actual
36 certificated instructional staff ratio. Additional classified
37 instructional assistants, for the purposes of this subsection, shall be
38 determined using the 1989-90 school year as the base year;

1 (C) Any district maintaining a ratio equal to or greater than 55.4
2 certificated instructional staff per thousand full-time equivalent
3 students in grades K-4 may use allocations generated under this
4 subsection (2)(a)(iv) and (v) in excess of that required to maintain
5 the minimum ratio established under RCW 28A.150.260(2)(b) to employ
6 additional basic education certificated instructional staff or
7 classified instructional assistants in grades 5-6. Funds allocated
8 under this subsection (2)(a)(iv) and (v) shall only be expended to
9 reduce class size in grades K-6. No more than 1.3 of the certificated
10 instructional funding ratio amount may be expended for provision of
11 classified instructional assistants;

12 (b) For school districts with a minimum enrollment of 250 full-time
13 equivalent students whose full-time equivalent student enrollment count
14 in a given month exceeds the first of the month full-time equivalent
15 enrollment count by 5 percent, an additional state allocation of 110
16 percent of the share that such increased enrollment would have
17 generated had such additional full-time equivalent students been
18 included in the normal enrollment count for that particular month;

19 (c)(i) On the basis of full-time equivalent enrollment in:

20 (A) Vocational education programs approved by the superintendent of
21 public instruction, a maximum of 0.92 certificated instructional staff
22 units and 0.08 certificated administrative staff units for each 19.5
23 full-time equivalent vocational students; and

24 (B) Skills center programs meeting the standards for skills center
25 funding established in January 1999 by the superintendent of public
26 instruction, 0.92 certificated instructional staff units and 0.08
27 certificated administrative units for each 16.67 full-time equivalent
28 vocational students; and

29 (ii) Vocational full-time equivalent enrollment shall be reported
30 on the same monthly basis as the enrollment for students eligible for
31 basic support, and payments shall be adjusted for reported vocational
32 enrollments on the same monthly basis as those adjustments for
33 enrollment for students eligible for basic support;

34 (d) For districts enrolling not more than twenty-five average
35 annual full-time equivalent students in grades K-8, and for small
36 school plants within any school district which have been judged to be
37 remote and necessary by the state board of education and enroll not
38 more than twenty-five average annual full-time equivalent students in
39 grades K-8:

(i) For those enrolling no students in grades 7 and 8, 1.76 certificated instructional staff units and 0.24 certificated administrative staff units for enrollment of not more than five students, plus one-twentieth of a certificated instructional staff unit for each additional student enrolled; and

(ii) For those enrolling students in grades 7 or 8, 1.68 certificated instructional staff units and 0.32 certificated administrative staff units for enrollment of not more than five students, plus one-tenth of a certificated instructional staff unit for each additional student enrolled;

(e) For specified enrollments in districts enrolling more than twenty-five but not more than one hundred average annual full-time equivalent students in grades K-8, and for small school plants within any school district which enroll more than twenty-five average annual full-time equivalent students in grades K-8 and have been judged to be remote and necessary by the state board of education:

(i) For enrollment of up to sixty annual average full-time equivalent students in grades K-6, 2.76 certificated instructional staff units and 0.24 certificated administrative staff units; and

(ii) For enrollment of up to twenty annual average full-time equivalent students in grades 7 and 8, 0.92 certificated instructional staff units and 0.08 certificated administrative staff units;

(f) For districts operating no more than two high schools with enrollments of less than three hundred average annual full-time equivalent students, for enrollment in grades 9-12 in each such school, other than alternative schools:

(i) For remote and necessary schools enrolling students in any grades 9-12 but no more than twenty-five average annual full-time equivalent students in grades K-12, four and one-half certificated instructional staff units and one-quarter of a certificated administrative staff unit;

(ii) For all other small high schools under this subsection, nine certificated instructional staff units and one-half of a certificated administrative staff unit for the first sixty average annual full time equivalent students, and additional staff units based on a ratio of 0.8732 certificated instructional staff units and 0.1268 certificated administrative staff units per each additional forty-three and one-half average annual full time equivalent students.

Units calculated under (f)(ii) of this subsection shall be reduced by certificated staff units at the rate of forty-six certificated instructional staff units and four certificated administrative staff units per thousand vocational full-time equivalent students.

(g) For each nonhigh school district having an enrollment of more than seventy annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-8 program or a grades 1-8 program, an additional one-half of a certificated instructional staff unit; and

(h) For each nonhigh school district having an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-6 program or a grades 1-6 program, an additional one-half of a certificated instructional staff unit.

(3) Allocations for classified salaries for the 2001-02 and 2002-03 school years shall be calculated using formula-generated classified staff units determined as follows:

(a) For enrollments generating certificated staff unit allocations under subsection (2)(d) through (h) of this section, one classified staff unit for each three certificated staff units allocated under such subsections;

(b) For all other enrollment in grades K-12, including vocational full-time equivalent enrollments, one classified staff unit for each sixty average annual full-time equivalent students; and

(c) For each nonhigh school district with an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, an additional one-half of a classified staff unit.

(4) Fringe benefit allocations shall be calculated at a rate of 11.27 percent in the 2001-02 school year and 11.27 percent in the 2002-03 school year for certificated salary allocations provided under subsection (2) of this section, and a rate of 12.92 percent in the 2001-02 school year and 12.92 percent in the 2002-03 school year for classified salary allocations provided under subsection (3) of this section.

(5) Insurance benefit allocations shall be calculated at the maintenance rate specified in section 504(3) of this act, based on the number of benefit units determined as follows:

(a) The number of certificated staff units determined in subsection (2) of this section; and

(b) The number of classified staff units determined in subsection (3) of this section multiplied by 1.152. This factor is intended to adjust allocations so that, for the purposes of distributing insurance benefits, full-time equivalent classified employees may be calculated on the basis of 1440 hours of work per year, with no individual employee counted as more than one full-time equivalent.

(6)(a) For nonemployee-related costs associated with each certificated staff unit allocated under subsection (2)(a), (b), and (d) through (h) of this section, there shall be provided a maximum of \$8,519 per certificated staff unit in the 2001-02 school year and a maximum of \$8,715 per certificated staff unit in the 2002-03 school year.

(b) For nonemployee-related costs associated with each vocational certificated staff unit allocated under subsection (2)(c)(i)(A) of this section, there shall be provided a maximum of \$20,920 per certificated staff unit in the 2001-02 school year and a maximum of \$21,401 per certificated staff unit in the 2002-03 school year.

(c) For nonemployee-related costs associated with each vocational certificated staff unit allocated under subsection (2)(c)(i)(B) of this section, there shall be provided a maximum of \$16,233 per certificated staff unit in the 2001-02 school year and a maximum of \$16,606 per certificated staff unit in the 2002-03 school year.

(7) Allocations for substitute costs for classroom teachers shall be distributed at a maintenance rate of \$494.34 for the 2001-02 and 2002-03 school years per allocated classroom teachers exclusive of salary increase amounts provided in section 504 of this act. Solely for the purposes of this subsection, allocated classroom teachers shall be equal to the number of certificated instructional staff units allocated under subsection (2) of this section, multiplied by the ratio between the number of actual basic education certificated teachers and the number of actual basic education certificated instructional staff reported statewide for the prior school year.

(8) Any school district board of directors may petition the superintendent of public instruction by submission of a resolution adopted in a public meeting to reduce or delay any portion of its basic education allocation for any school year. The superintendent of public instruction shall approve such reduction or delay if it does not impair

1 the district's financial condition. Any delay shall not be for more
2 than two school years. Any reduction or delay shall have no impact on
3 levy authority pursuant to RCW 84.52.0531 and local effort assistance
4 pursuant to chapter 28A.500 RCW.

5 (9) The superintendent may distribute a maximum of \$6,510,000
6 outside the basic education formula during fiscal years 2002 and 2003
7 as follows:

8 (a) For fire protection for school districts located in a fire
9 protection district as now or hereafter established pursuant to chapter
10 52.04 RCW, a maximum of \$480,000 may be expended in fiscal year 2002
11 and a maximum of \$491,000 may be expended in fiscal year 2003;

12 (b) For summer vocational programs at skills centers, a maximum of
13 \$2,098,000 may be expended each fiscal year;

14 (c) A maximum of \$343,000 may be expended for school district
15 emergencies; and

16 (d) A maximum of \$500,000 per fiscal year may be expended for
17 programs providing skills training for secondary students who are
18 enrolled in extended day school-to-work programs, as approved by the
19 superintendent of public instruction. The funds shall be allocated at
20 a rate not to exceed \$500 per full-time equivalent student enrolled in
21 those programs.

22 (10) For purposes of RCW 84.52.0531, the increase per full-time
23 equivalent student in state basic education appropriations provided
24 under this act, including appropriations for salary and benefits
25 increases, is 2.5 percent from the 2000-01 school year to the 2001-02
26 school year, and 3.3 percent from the 2000-01 school year to the 2002-
27 03 school year.

28 (11) If two or more school districts consolidate and each district
29 was receiving additional basic education formula staff units pursuant
30 to subsection (2)(b) through (h) of this section, the following shall
31 apply:

32 (a) For three school years following consolidation, the number of
33 basic education formula staff units shall not be less than the number
34 of basic education formula staff units received by the districts in the
35 school year prior to the consolidation; and

36 (b) For the fourth through eighth school years following
37 consolidation, the difference between the basic education formula staff
38 units received by the districts for the school year prior to
39 consolidation and the basic education formula staff units after

consolidation pursuant to subsection (2)(a) through (h) of this section shall be reduced in increments of twenty percent per year.

NEW SECTION. **Sec. 503. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BASIC EDUCATION EMPLOYEE COMPENSATION.** (1) The following calculations determine the salaries used in the general fund allocations for certificated instructional, certificated administrative, and classified staff units under section 502 of this act:

(a) Salary allocations for certificated instructional staff units shall be determined for each district by multiplying the district's certificated instructional total base salary shown on LEAP Document 12E for the appropriate year, by the district's average staff mix factor for basic education and special education certificated instructional staff in that school year, computed using LEAP Document 1S; and

(b) Salary allocations for certificated administrative staff units and classified staff units for each district shall be based on the district's certificated administrative and classified salary allocation amounts shown on LEAP Document 12E for the appropriate year.

(2) For the purposes of this section:

(a) "Basic education certificated instructional staff" is defined as provided in RCW 28A.150.100 and "special education certificated staff" means staff assigned to the state-supported special education program pursuant to chapter 28A.155 RCW in positions requiring a certificate;

(b) "LEAP Document 1S" means the computerized tabulation establishing staff mix factors for certificated instructional staff according to education and years of experience, as developed by the legislative evaluation and accountability program committee on March 25, 1999, at 16:55 hours; and

(c) "LEAP Document 12E" means the computerized tabulation of 2001-02 and 2002-03 school year salary allocations for certificated administrative staff and classified staff and derived and total base salaries for certificated instructional staff as developed by the legislative evaluation and accountability program committee on March 13, 2001, at 16:32 hours.

(3) Incremental fringe benefit factors shall be applied to salary adjustments at a rate of 10.63 percent for school years 2001-02 and

1 2002-03 for certificated staff and 9.42 percent for school years 2001-
 2 02 and 2002-03 for classified staff.

3 (4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary
 4 allocation schedules for certificated instructional staff are
 5 established for basic education salary allocations:

6 K-12 Salary Schedule for Certificated Instructional Staff
 7 2001-02 School Year

8 Years of					
9 Service	BA	BA+15	BA+30	BA+45	BA+90
10 0	27,467	28,209	28,977	29,746	32,219
11 1	27,836	28,588	29,366	30,171	32,668
12 2	28,464	29,231	30,025	30,900	33,414
13 3	29,401	30,192	31,009	31,931	34,490
14 4	30,063	30,896	31,727	32,689	35,290
15 5	30,750	31,595	32,443	33,468	36,085
16 6	31,147	31,974	32,850	33,928	36,531
17 7	32,164	33,010	33,909	35,055	37,724
18 8	33,195	34,088	35,008	36,248	38,954
19 9		35,205	36,169	37,455	40,223
20 10			37,344	38,724	41,529
21 11				40,029	42,895
22 12				41,293	44,298
23 13					45,736
24 14					47,181
25 15					48,408
26 16 or more					49,376

27 Years of				MA+90
28 Service	BA+135	MA	MA+45	or PHD
29 0	33,811	32,931	35,403	36,996
30 1	34,252	33,297	35,793	37,377
31 2	35,030	33,995	36,509	38,124
32 3	36,177	35,027	37,585	39,273
33 4	37,007	35,755	38,355	40,072
34 5	37,853	36,503	39,121	40,889
35 6	38,308	36,904	39,508	41,285
36 7	39,569	38,031	40,700	42,546

1	8	40,867	39,225	41,930	43,843
2	9	42,201	40,430	43,200	45,177
3	10	43,572	41,700	44,505	46,549
4	11	44,979	43,005	45,872	47,956
5	12	46,446	44,362	47,275	49,422
6	13	47,947	45,766	48,712	50,923
7	14	49,505	47,212	50,251	52,481
8	15	50,792	48,439	51,557	53,846
9	16 or more	51,808	49,407	52,589	54,923

10 K-12 Allocation Salary Schedule For Certificated Instructional Staff
11 2002-03 School Year

12 Years of

13	Service	BA	BA+15	BA+30	BA+45	BA+90
14	0	28,318	29,083	29,875	30,668	33,217
15	1	28,699	29,473	30,276	31,106	33,680
16	2	29,345	30,137	30,955	31,857	34,449
17	3	30,312	31,127	31,970	32,920	35,559
18	4	30,994	31,854	32,710	33,702	36,383
19	5	31,703	32,574	33,448	34,505	37,203
20	6	32,112	32,964	33,868	34,979	37,663
21	7	33,160	34,033	34,959	36,141	38,893
22	8	34,223	35,145	36,092	37,372	40,161
23	9		36,295	37,289	38,616	41,470
24	10			38,501	39,923	42,815
25	11				41,269	44,225
26	12				42,572	45,671
27	13					47,153
28	14					48,642
29	15					49,907
30	16 or more					50,906

31 Years of

32	Service	BA+135	MA	MA+45	MA+90 or PHD
33	0	34,859	33,951	36,500	38,142
34	1	35,313	34,328	36,902	38,535
35	2	36,116	35,048	37,640	39,305
36	3	37,298	36,112	38,750	40,490

1	4	38,153	36,863	39,544	41,314
2	5	39,026	37,634	40,333	42,156
3	6	39,495	38,047	40,732	42,564
4	7	40,795	39,210	41,961	43,864
5	8	42,133	40,440	43,229	45,201
6	9	43,509	41,683	44,538	46,577
7	10	44,922	42,992	45,884	47,991
8	11	46,373	44,337	47,293	49,442
9	12	47,885	45,736	48,739	50,953
10	13	49,432	47,184	50,221	52,501
11	14	51,039	48,675	51,808	54,107
12	15	52,366	49,940	53,155	55,514
13	16 or more	53,413	50,938	54,218	56,624

14 (b) As used in this subsection, the column headings "BA+(N)" refer
15 to the number of credits earned since receiving the baccalaureate
16 degree.

17 (c) For credits earned after the baccalaureate degree but before
18 the masters degree, any credits in excess of forty-five credits may be
19 counted after the masters degree. Thus, as used in this subsection,
20 the column headings "MA+(N)" refer to the total of:

- 21 (i) Credits earned since receiving the masters degree; and
- 22 (ii) Any credits in excess of forty-five credits that were earned
23 after the baccalaureate degree but before the masters degree.

24 (5) For the purposes of this section:

25 (a) "BA" means a baccalaureate degree.

26 (b) "MA" means a masters degree.

27 (c) "PHD" means a doctorate degree.

28 (d) "Years of service" shall be calculated under the same rules
29 adopted by the superintendent of public instruction.

30 (e) "Credits" means college quarter hour credits and equivalent in-
31 service credits computed in accordance with RCW 28A.415.020 and
32 28A.415.023.

33 (6) No more than ninety college quarter-hour credits received by
34 any employee after the baccalaureate degree may be used to determine
35 compensation allocations under the state salary allocation schedule and
36 LEAP documents referenced in this act, or any replacement schedules and
37 documents, unless:

- 38 (a) The employee has a masters degree; or

(b) The credits were used in generating state salary allocations before January 1, 1992.

(7) The certificated instructional staff base salary specified for each district in LEAP Document 12E and the salary schedules in subsection (4)(a) of this section include three learning improvement days originally added in the 1999-00 school year. A school district is eligible for the learning improvement day funds for school years 2001-02 and 2002-03, only if three days have been added to the base contract in effect for the 1998-99 school year. If fewer than three days are added, the additional learning improvement allocation shall be adjusted accordingly. The additional days shall be for activities related to improving student learning consistent with education reform implementation. The length of a learning improvement day shall not be less than the length of a full day under the base contract. The superintendent of public instruction shall ensure that school districts adhere to the intent and purposes of this subsection.

(8) The salary allocation schedules established in this section are for allocation purposes only except as provided in RCW 28A.400.200(2).

NEW SECTION. Sec. 504. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS

General Fund--State Appropriation (FY 2002) . . .	\$	122,747,000
General Fund--State Appropriation (FY 2003) . . .	\$	271,329,000
TOTAL APPROPRIATION	\$	394,076,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$318,024,000 is provided for a cost of living adjustment for state formula staff units of 3.7 percent effective September 1, 2001, and another salary adjustment effective on September 1, 2002, in a percentage amount to be determined by the 2002 legislature consistent with the provisions of chapter 4, Laws of 2001 (Initiative Measure No. 732). The appropriations include associated incremental fringe benefit allocations at rates of 10.63 percent for school years 2001-02 and 2002-03 for certificated staff and 9.42 percent for school years 2001-02 and 2002-03 for classified staff.

(a) The appropriations in this section include the increased portion of salaries and incremental fringe benefits for all relevant state-funded school programs in part V of this act, in accordance with

1 chapter 4, Laws of 2001 (Initiative Measure No. 732). Salary
2 adjustments for state employees in the office of superintendent of
3 public instruction and the education reform program are provided in
4 part VII of this act. Increases for general apportionment (basic
5 education) are based on the salary allocation schedules and methodology
6 in section 502 of this act. Increases for special education result
7 from increases in each district's basic education allocation per
8 student. Increases for educational service districts and institutional
9 education programs are determined by the superintendent of public
10 instruction using the methodology for general apportionment salaries
11 and benefits in section 502 of this act.

12 (b) The appropriations in this section provide cost-of-living and
13 incremental fringe benefit allocations based on formula adjustments as
14 follows:

	School Year	
	2001-02	2002-03
17 Pupil Transportation (per weighted pupil mile)	\$ 0.77	\$ 1.44
18 Highly Capable (per formula student)	\$ 8.75	\$ 16.35
19 Transitional Bilingual Education (per eligible		
20 bilingual student)	\$ 22.73	\$ 42.48
21 Learning Assistance (per entitlement unit)	\$ 11.23	\$ 20.99
22 Substitute Teacher (allocation per teacher,		
23 section 502(7))	\$ 18.29	\$ 34.18

24 (2) This act appropriates general fund--state funds for the purpose
25 of providing the annual salary cost-of-living increase required by
26 section 2, chapter 4, Laws of 2001 (Initiative Measure No. 732) for
27 teachers and other school district employees in the state-funded salary
28 base. For employees not included in the state-funded salary base, the
29 annual salary cost-of-living increase may be provided by school
30 districts from the federal funds appropriated in this act and local
31 revenues, including the adjusted levy base as provided in RCW 84.52.053
32 and section 502 of this act, and state discretionary funds provided
33 under this act.

34 (3) \$76,052,000 is provided for adjustments to insurance benefit
35 allocations. The maintenance rate for insurance benefit allocations is
36 \$427.73 per month for the 2001-02 and 2002-03 school years. The
37 appropriations in this section provide for a rate increase to \$453.55

1 per month for the 2001-02 school year and \$490.04 per month for the
2 2002-03 school year at the following rates:

	School Year	
	2001-02	2002-03
5 Pupil Transportation (per weighted pupil mile)	\$ 0.24	\$ 0.57
6 Highly Capable (per formula student)	\$ 1.67	\$ 3.96
7 Transitional Bilingual Education (per eligible		
8 bilingual student)	\$ 4.18	\$ 10.09
9 Learning Assistance (per entitlement unit)	\$ 3.29	\$ 7.93

10 (4) The rates specified in this section are subject to revision
11 each year by the legislature.

12 NEW SECTION. **Sec. 505. FOR THE SUPERINTENDENT OF PUBLIC**
13 **INSTRUCTION--FOR PUPIL TRANSPORTATION**

14 General Fund--State Appropriation (FY 2002) . . .	\$	193,198,000
15 General Fund--State Appropriation (FY 2003) . . .	\$	194,293,000
16 TOTAL APPROPRIATION	\$	387,491,000

17 The appropriations in this section are subject to the following
18 conditions and limitations:

19 (1) Each general fund fiscal year appropriation includes such funds
20 as are necessary to complete the school year ending in the fiscal year
21 and for prior fiscal year adjustments.

22 (2) A maximum of \$767,000 of this fiscal year 2002 appropriation
23 and a maximum of \$785,000 of the fiscal year 2003 appropriation may be
24 expended for regional transportation coordinators and related
25 activities. The transportation coordinators shall ensure that data
26 submitted by school districts for state transportation funding shall,
27 to the greatest extent practical, reflect the actual transportation
28 activity of each district.

29 (3) \$15,000 of the fiscal year 2002 appropriation and \$20,000 of
30 the fiscal year 2003 appropriation are provided solely for the
31 transportation of students enrolled in "choice" programs.
32 Transportation shall be limited to low-income students who are
33 transferring to "choice" programs solely for educational reasons.

34 (4) Allocations for transportation of students shall be based on
35 reimbursement rates of \$37.11 per weighted mile in the 2001-02 school
36 year and \$37.38 per weighted mile in the 2002-03 school year exclusive

1 of salary and benefit adjustments provided in section 504 of this act.
2 Allocations for transportation of students transported more than one
3 radius mile shall be based on weighted miles as determined by
4 superintendent of public instruction multiplied by the per mile
5 reimbursement rates for the school year pursuant to the formulas
6 adopted by the superintendent of public instruction. Allocations for
7 transportation of students living within one radius mile shall be based
8 on the number of enrolled students in grades kindergarten through five
9 living within one radius mile of their assigned school multiplied by
10 the per mile reimbursement rate for the school year multiplied by 1.29.

11 NEW SECTION. **Sec. 506. FOR THE SUPERINTENDENT OF PUBLIC**
12 **INSTRUCTION--FOR SCHOOL FOOD SERVICE PROGRAMS**

13	General Fund--State Appropriation (FY 2002) . . . \$	3,100,000
14	General Fund--State Appropriation (FY 2003) . . . \$	3,100,000
15	General Fund--Federal Appropriation \$	225,630,000
16	TOTAL APPROPRIATION \$	231,830,000

17 The appropriations in this section are subject to the following
18 conditions and limitations:

19 (1) \$3,000,000 of the general fund--state appropriation for fiscal
20 year 2002 and \$3,000,000 of the general fund--state appropriation for
21 fiscal year 2003 are provided for state matching money for federal
22 child nutrition programs.

23 (2) \$100,000 of the general fund--state appropriation for fiscal
24 year 2002 and \$100,000 of the 2003 fiscal year appropriation are
25 provided for summer food programs for children in low-income areas.

26 NEW SECTION. **Sec. 507. FOR THE SUPERINTENDENT OF PUBLIC**
27 **INSTRUCTION--FOR SPECIAL EDUCATION PROGRAMS**

28	General Fund--State Appropriation (FY 2002) . . . \$	419,264,000
29	General Fund--State Appropriation (FY 2003) . . . \$	420,644,000
30	General Fund--Federal Appropriation \$	256,092,000
31	TOTAL APPROPRIATION \$	1,096,000,000

32 The appropriations in this section are subject to the following
33 conditions and limitations:

34 (1) Funding for special education programs is provided on an excess
35 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
36 that special education students as a class receive their full share of

1 the general apportionment allocation accruing through sections 502 and
2 504 of this act. To the extent a school district cannot provide an
3 appropriate education for special education students under chapter
4 28A.155 RCW through the general apportionment allocation, it shall
5 provide services through the special education excess cost allocation
6 funded in this section.

7 (2)(a) Effective with the 2001-02 school year, the superintendent
8 of public instruction shall change the S-275 personnel reporting system
9 and all related accounting requirements to ensure that:

10 (i) Special education students are basic education students first;

11 (ii) As a class, special education students are entitled to the
12 full basic education allocation; and

13 (iii) Special education students are basic education students for
14 the entire school day.

15 (b) Effective with the 2001-02 school year, the S-275 and
16 accounting changes shall supercede any prior excess cost methodologies
17 and shall be required of all school districts.

18 (3) Each general fund--state fiscal year appropriation includes
19 such funds as are necessary to complete the school year ending in the
20 fiscal year and for prior fiscal year adjustments.

21 (4) The superintendent of public instruction shall distribute state
22 funds to school districts based on two categories: The optional birth
23 through age two program for special education eligible developmentally
24 delayed infants and toddlers, and the mandatory special education
25 program for special education eligible students ages three to twenty-
26 one. A "special education eligible student" means a student receiving
27 specially designed instruction in accordance with a properly formulated
28 individualized education program.

29 (5)(a) For the 2001-02 and 2002-03 school years, the superintendent
30 shall distribute state funds to each district based on the sum of:

31 (i) A district's annual average headcount enrollment of
32 developmentally delayed infants and toddlers ages birth through two,
33 multiplied by the district's average basic education allocation per
34 full-time equivalent student, multiplied by 1.15; and

35 (ii) A district's annual average full-time equivalent basic
36 education enrollment multiplied by the funded enrollment percent
37 determined pursuant to subsection (6)(b) of this section, multiplied by
38 the district's average basic education allocation per full-time
39 equivalent student multiplied by 0.9309.

1 (b) For purposes of this subsection, "average basic education
2 allocation per full-time equivalent student" for a district shall be
3 based on the staffing ratios required by RCW 28A.150.260 and shall not
4 include enhancements, secondary vocational education, or small schools.

5 (6) The definitions in this subsection apply throughout this
6 section.

7 (a) "Annual average full-time equivalent basic education
8 enrollment" means the resident enrollment including students enrolled
9 through choice (RCW 28A.225.225) and students from nonhigh districts
10 (RCW 28A.225.210) and excluding students residing in another district
11 enrolled as part of an interdistrict cooperative program (RCW
12 28A.225.250).

13 (b) "Enrollment percent" means the district's resident special
14 education annual average enrollment, excluding the birth through age
15 two enrollment, as a percent of the district's annual average full-time
16 equivalent basic education enrollment. For the 2001-02 and the 2002-03
17 school years, each district's funded enrollment percent shall be the
18 lesser of the district's actual enrollment percent for the school year
19 for which the allocation is being determined or 12.7 percent for the
20 2001-02 school year or 13.0 percent for the 2002-03 school year.

21 (7) At the request of any interdistrict cooperative of at least 15
22 districts in which all excess cost services for special education
23 students of the districts are provided by the cooperative, the maximum
24 enrollment percent shall be 12.7 percent for the 2001-02 school year
25 and 13.0 percent for the 2002-03 school year, and shall be calculated
26 in the aggregate rather than individual district units. For purposes
27 of this subsection, the average basic education allocation per full-
28 time equivalent student shall be calculated in the aggregate rather
29 than individual district units.

30 (8) A maximum of \$12,000,000 of the general fund--state
31 appropriation for fiscal year 2002 and a maximum of \$10,623,000 of the
32 general fund--state appropriation for fiscal year 2003 are provided as
33 safety net funding for districts with demonstrated needs for state
34 special education funding beyond the amounts provided in subsection (5)
35 of this section. Safety net funding shall be awarded by the state
36 safety net oversight committee.

37 (a) The safety net oversight committee shall first consider the
38 needs of districts adversely affected by the 1995 change in the special
39 education funding formula. Awards shall be based on the lesser of the

1 amount required to maintain the 1994-95 state special education excess
2 cost allocation to the school district in aggregate or on a dollar per
3 funded student basis.

4 (b) The committee shall then consider unmet needs for districts
5 that can convincingly demonstrate that all legitimate expenditures for
6 special education exceed all available revenues from state funding
7 formulas. In the determination of need, the committee shall also
8 consider additional available revenues from federal and local sources.
9 Differences in program costs attributable to district philosophy,
10 service delivery choice, or accounting practices are not a legitimate
11 basis for safety net awards.

12 (c) The maximum allowable indirect cost for calculating safety net
13 eligibility may not exceed the federal restricted indirect cost rate
14 for the district plus one percent.

15 (d) Safety net awards shall be adjusted based on the percent of
16 potential medicaid eligible students billed as calculated by the
17 superintendent in accordance with chapter 318, Laws of 1999.

18 (e) Safety net awards must be adjusted for any audit findings or
19 exceptions related to special education funding.

20 (f) The superintendent may expend up to \$120,000 per year of the
21 amounts provided in this subsection to provide staff assistance to the
22 committee in analyzing applications for safety net funds received by
23 the committee.

24 (9) The superintendent of public instruction may adopt such rules
25 and procedures as are necessary to administer the special education
26 funding and safety net award process. Prior to revising any standards,
27 procedures, or rules, the superintendent shall consult with the office
28 of financial management and the fiscal committees of the legislature.

29 (10) The safety net oversight committee appointed by the
30 superintendent of public instruction shall consist of:

31 (a) One staff from the office of superintendent of public
32 instruction;

33 (b) Staff of the office of the state auditor;

34 (c) Staff of the office of the financial management; and

35 (d) One or more representatives from school districts or
36 educational service districts knowledgeable of special education
37 programs and funding.

38 (11) To the extent necessary, \$5,500,000 of the general fund--
39 federal appropriation shall be expended for safety net funding to meet

1 the extraordinary needs of one or more individual special education
2 students. If safety net awards to meet the extraordinary needs exceed
3 \$5,500,000 of the general fund--federal appropriation, the
4 superintendent shall expend all available federal discretionary funds
5 necessary to meet this need. General fund--state funds shall not be
6 expended for this purpose.

7 (12) A maximum of \$678,000 may be expended from the general fund--
8 state appropriations to fund 5.43 full-time equivalent teachers and 2.1
9 full-time equivalent aides at children's orthopedic hospital and
10 medical center. This amount is in lieu of money provided through the
11 home and hospital allocation and the special education program.

12 (13) \$1,000,000 of the general fund--federal appropriation is
13 provided for projects to provide special education students with
14 appropriate job and independent living skills, including work
15 experience where possible, to facilitate their successful transition
16 out of the public school system. The funds provided by this subsection
17 shall be from federal discretionary grants.

18 (14) The superintendent shall maintain the percentage of federal
19 flow-through to school districts at 85 percent. In addition to other
20 purposes, school districts may use increased federal funds for high-
21 cost students, for purchasing regional special education services from
22 educational service districts, and for staff development activities
23 particularly relating to inclusion issues.

24 (15) A maximum of \$1,200,000 of the general fund--federal
25 appropriation may be expended by the superintendent for projects
26 related to use of inclusion strategies by school districts for
27 provision of special education services. The superintendent shall
28 prepare an information database on laws, best practices, examples of
29 programs, and recommended resources. The information may be
30 disseminated in a variety of ways, including workshops and other staff
31 development activities.

32 (16) A school district may carry over from one year to the next
33 year up to 10 percent of general fund--state funds allocated under this
34 program; however, carry over funds shall be expended in the special
35 education program.

36 NEW SECTION. **Sec. 508. FOR THE SUPERINTENDENT OF PUBLIC**
37 **INSTRUCTION--FOR TRAFFIC SAFETY EDUCATION PROGRAMS**

38 General Fund--State Appropriation (FY 2002) . . . \$ 3,595,000

1	General Fund--State Appropriation (FY 2003) . . .	\$	2,588,000
2	TOTAL APPROPRIATION	\$	6,183,000

3 The appropriations in this section are subject to the following
4 conditions and limitations:

5 (1) The appropriations include such funds as are necessary to
6 complete the school year ending in each fiscal year and for prior
7 fiscal year adjustments.

8 (2) A maximum of \$253,000 of the fiscal year 2002 general fund
9 appropriation and a maximum of \$254,000 of the fiscal year 2003 general
10 fund appropriation may be expended for regional traffic safety
11 education coordinators.

12 (3) Allocations to provide tuition assistance for students eligible
13 for free and reduced price lunch who complete the program shall be a
14 maximum of \$203.97 per eligible student in the 2001-02 and 2002-03
15 school years.

16 NEW SECTION. **Sec. 509. FOR THE SUPERINTENDENT OF PUBLIC**
17 **INSTRUCTION--FOR EDUCATIONAL SERVICE DISTRICTS**

18	General Fund--State Appropriation (FY 2002) . . .	\$	4,768,000
19	General Fund--State Appropriation (FY 2003) . . .	\$	4,768,000
20	TOTAL APPROPRIATION	\$	9,536,000

21 The appropriations in this section are subject to the following
22 conditions and limitations:

23 (1) The educational service districts shall continue to furnish
24 financial services required by the superintendent of public instruction
25 and RCW 28A.310.190 (3) and (4).

26 (2) \$250,000 of the general fund appropriation for fiscal year 2000
27 and \$250,000 of the general fund appropriation for fiscal year 2001 are
28 provided solely for student teaching centers as provided in RCW
29 28A.415.100.

30 (3) A maximum of \$250,000 of the fiscal year 2002 general fund
31 appropriation and a maximum of \$250,000 of the fiscal year 2003 general
32 fund appropriation are provided for centers for the improvement of
33 teaching pursuant to RCW 28A.415.010.

34 NEW SECTION. **Sec. 510. FOR THE SUPERINTENDENT OF PUBLIC**
35 **INSTRUCTION--FOR LOCAL EFFORT ASSISTANCE**

36	General Fund--State Appropriation (FY 2002) . . .	\$	136,315,000
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1	General Fund--State Appropriation (FY 2003) . . .	\$	148,329,000
2	TOTAL APPROPRIATION	\$	284,644,000

3 NEW SECTION. **Sec. 511. FOR THE SUPERINTENDENT OF PUBLIC**
4 **INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS**

5	General Fund--State Appropriation (FY 2002) . . .	\$	19,133,000
6	General Fund--State Appropriation (FY 2003) . . .	\$	19,115,000
7	General Fund--Federal Appropriation	\$	8,548,000
8	TOTAL APPROPRIATION	\$	46,796,000

9 The appropriations in this section are subject to the following
10 conditions and limitations:

11 (1) Each general fund--state fiscal year appropriation includes
12 such funds as are necessary to complete the school year ending in the
13 fiscal year and for prior fiscal year adjustments.

14 (2) State funding provided under this section is based on salaries
15 and other expenditures for a 220-day school year. The superintendent
16 of public instruction shall monitor school district expenditure plans
17 for institutional education programs to ensure that districts plan for
18 a full-time summer program.

19 (3) State funding for each institutional education program shall be
20 based on the institution's annual average full-time equivalent student
21 enrollment. Staffing ratios for each category of institution shall
22 remain the same as those funded in the 1995-97 biennium.

23 (4) The funded staffing ratios for education programs for juveniles
24 age 18 or less in department of corrections facilities shall be the
25 same as those provided in the 1997-99 biennium.

26 (5) \$141,000 of the general fund--state appropriation for fiscal
27 year 2002 and \$139,000 of the general fund--state appropriation for
28 fiscal year 2003 are provided solely to maintain at least one
29 certificated instructional staff and related support services at an
30 institution whenever the K-12 enrollment is not sufficient to support
31 one full-time equivalent certificated instructional staff to furnish
32 the educational program. The following types of institutions are
33 included: Residential programs under the department of social and
34 health services for developmentally disabled juveniles, programs for
35 juveniles under the department of corrections, and programs for
36 juveniles under the juvenile rehabilitation administration.

(6) Ten percent of the funds allocated for each institution may be carried over from one year to the next.

NEW SECTION. Sec. 512. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS

General Fund--State Appropriation (FY 2002) . . .	\$	6,443,000
General Fund--State Appropriation (FY 2003) . . .	\$	6,397,000
TOTAL APPROPRIATION	\$	12,840,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) Allocations for school district programs for highly capable students shall be distributed at a maximum rate of \$328.10 per funded student for the 2001-02 school year and \$328.05 per funded student for the 2002-03 school year, exclusive of salary and benefit adjustments pursuant to section 504 of this act. The number of funded students shall be a maximum of two percent of each district's full-time equivalent basic education enrollment.

(3) \$175,000 of the fiscal year 2002 appropriation and \$175,000 of the fiscal year 2003 appropriation are provided for the centrum program at Fort Worden state park.

(4) \$93,000 of the fiscal year 2002 appropriation and \$93,000 of the fiscal year 2003 appropriation are provided for the Washington imagination network and future problem-solving programs.

NEW SECTION. Sec. 513. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE ELEMENTARY AND SECONDARY SCHOOL IMPROVEMENT ACT

General Fund--Federal Appropriation	\$	288,166,000
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NEW SECTION. Sec. 514. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM PROGRAMS

General Fund--State Appropriation (FY 2002) . . .	\$	37,039,000
General Fund--State Appropriation (FY 2003) . . .	\$	39,906,000
General Fund--Federal Appropriation	\$	3,000,000
TOTAL APPROPRIATION	\$	79,945,000

1 The appropriations in this section are subject to the following
2 conditions and limitations:

3 (1) \$322,000 of the general fund--state appropriation for fiscal
4 year 2002 and \$322,000 of the general fund--state appropriation for
5 fiscal year 2003 are provided solely for the academic achievement and
6 accountability commission.

7 (2) \$11,209,000 of the general fund--state appropriation for fiscal
8 year 2002, \$10,872,000 of the general fund--state appropriation for
9 fiscal year 2003, and \$3,000,000 of the general fund--federal
10 appropriation are provided for development and implementation of the
11 Washington assessments of student learning. Up to \$689,000 of the
12 appropriation may be expended for data analysis and data management of
13 test results.

14 (3) \$1,095,000 of the fiscal year 2002 general fund--state
15 appropriation and \$1,095,000 of the fiscal year 2003 general
16 fund--state appropriation are provided solely for training of
17 paraprofessional classroom assistants and certificated staff who work
18 with classroom assistants as provided in RCW 28A.415.310.

19 (4) \$4,695,000 of the general fund--state appropriation for fiscal
20 year 2002 and \$4,695,000 of the general fund--state appropriation for
21 fiscal year 2003 are provided solely for mentor teacher assistance,
22 including state support activities, under RCW 28A.415.250 and
23 28A.415.260, and for a mentor academy. Up to \$200,000 of the amount in
24 this subsection may be used each fiscal year to operate a mentor
25 academy to help districts provide effective training for peer mentors.
26 Funds for the teacher assistance program shall be allocated to school
27 districts based on the number of first year beginning teachers.

28 (a) A teacher assistance program is a program that provides to a
29 first year beginning teacher peer mentor services that include but are
30 not limited to:

31 (i) An orientation process and individualized assistance to help
32 beginning teachers who have been hired prior to the start of the school
33 year prepare for the start of a school year;

34 (ii) The assignment of a peer mentor whose responsibilities to the
35 beginning teacher include but are not limited to constructive feedback,
36 the modeling of instructional strategies, and frequent meetings and
37 other forms of contact;

38 (iii) The provision by peer mentors of strategies, training, and
39 guidance in critical areas such as classroom management, student

1 discipline, curriculum management, instructional skill, assessment,
2 communication skills, and professional conduct. A district may provide
3 these components through a variety of means including one-on-one
4 contact and workshops offered by peer mentors to groups, including
5 cohort groups, of beginning teachers;

6 (iv) The provision of release time, substitutes, mentor training in
7 observation techniques, and other measures for both peer mentors and
8 beginning teachers, to allow each an adequate amount of time to observe
9 the other and to provide the classroom experience that each needs to
10 work together effectively;

11 (v) Assistance in the incorporation of the essential academic
12 learning requirements into instructional plans and in the development
13 of complex teaching strategies, including strategies to raise the
14 achievement of students with diverse learning styles and backgrounds;
15 and

16 (vi) Guidance and assistance in the development and implementation
17 of a professional growth plan. The plan shall include a professional
18 self-evaluation component and one or more informal performance
19 assessments. A peer mentor may not be involved in any evaluation under
20 RCW 28A.405.100 of a beginning teacher whom the peer mentor has
21 assisted through this program.

22 (b) In addition to the services provided in (a) of this subsection,
23 an eligible peer mentor program shall include but is not limited to the
24 following components:

25 (i) Strong collaboration among the peer mentor, the beginning
26 teacher's principal, and the beginning teacher;

27 (ii) Stipends for peer mentors and, at the option of a district,
28 for beginning teachers. The stipends shall not be deemed compensation
29 for the purposes of salary lid compliance under RCW 28A.400.200 and are
30 not subject to the continuing contract provisions of Title 28A RCW; and

31 (iii) To the extent that resources are available for this purpose
32 and that assistance to beginning teachers is not adversely impacted,
33 the program may serve second year and more experienced teachers who
34 request the assistance of peer mentors.

35 (5) \$2,025,000 of the general fund--state appropriation for fiscal
36 year 2002 and \$2,025,000 of the general fund--state appropriation for
37 fiscal year 2003 are provided for improving technology infrastructure,
38 monitoring and reporting on school district technology development,
39 promoting standards for school district technology, promoting statewide

1 coordination and planning for technology development, and providing
2 regional educational technology support centers, including state
3 support activities, under chapter 28A.650 RCW. The superintendent of
4 public instruction shall coordinate a process to facilitate the
5 evaluation and provision of online curriculum courses to school
6 districts which includes the following: Creation of a general listing
7 of the types of available online curriculum courses; a survey conducted
8 by each regional educational technology support center of school
9 districts in its region regarding the types of online curriculum
10 courses desired by school districts; a process to evaluate and
11 recommend to school districts the best online courses in terms of
12 curriculum, student performance, and cost; and assistance to school
13 districts in procuring and providing the courses to students.

14 (6) \$3,600,000 of the general fund--state appropriation for fiscal
15 year 2002 and \$3,600,000 of the general fund--state appropriation for
16 fiscal year 2003 are provided for grants to school districts to provide
17 a continuum of care for children and families to help children become
18 ready to learn. Grant proposals from school districts shall contain
19 local plans designed collaboratively with community service providers.
20 If a continuum of care program exists in the area in which the school
21 district is located, the local plan shall provide for coordination with
22 existing programs to the greatest extent possible. Grant funds shall
23 be allocated pursuant to RCW 70.190.040.

24 (7) \$2,500,000 of the general fund--state appropriation for fiscal
25 year 2002 and \$2,500,000 of the general fund--state appropriation for
26 fiscal year 2003 are provided solely for the meals for kids program
27 under RCW 28A.235.145 through 28A.235.155.

28 (8) \$1,409,000 of the general fund--state appropriation for fiscal
29 year 2002 and \$1,409,000 of the general fund--state appropriation for
30 fiscal year 2003 are provided solely for the leadership internship
31 program for superintendents, principals, and program administrators.

32 (9) \$1,828,000 of the general fund--state appropriation for fiscal
33 year 2002 and \$1,828,000 of the general fund--state appropriation for
34 fiscal year 2003 are provided solely for the mathematics helping corps
35 subject to the following conditions and limitations:

36 (a) In order to increase the availability and quality of technical
37 mathematics assistance statewide, the superintendent of public
38 instruction shall employ mathematics school improvement specialists to
39 provide assistance to schools and districts. The specialists shall be

1 hired by and work under the direction of a statewide school improvement
2 coordinator. The mathematics improvement specialists shall serve on a
3 rotating basis from one to three years and shall not be permanent
4 employees of the superintendent of public instruction.

5 (b) The school improvement specialists shall provide the following:

6 (i) Assistance to schools to disaggregate student performance data
7 and develop improvement plans based on those data;

8 (ii) Consultation with schools and districts concerning their
9 performance on the Washington assessment of student learning and other
10 assessments emphasizing the performance on the mathematics assessments;

11 (iii) Consultation concerning curricula that aligns with the
12 essential academic learning requirements emphasizing the academic
13 learning requirements for mathematics, the Washington assessment of
14 student learning, and meets the needs of diverse learners;

15 (iv) Assistance in the identification and implementation of
16 research-based instructional practices in mathematics;

17 (v) Staff training that emphasizes effective instructional
18 strategies and classroom-based assessment for mathematics;

19 (vi) Assistance in developing and implementing family and community
20 involvement programs emphasizing mathematics; and

21 (vii) Other assistance to schools and school districts intended to
22 improve student mathematics learning.

23 (10) A maximum of \$500,000 of the general fund--state appropriation
24 for fiscal year 2002 and a maximum of \$500,000 of the general fund--
25 state appropriation for fiscal year 2003 are provided for summer
26 accountability institutes offered by the superintendent of public
27 instruction and the academic achievement and accountability commission.
28 The institutes shall provide school district staff with training in the
29 analysis of student assessment data, information regarding successful
30 district and school teaching models, research on curriculum and
31 instruction, and planning tools for districts to improve instruction in
32 reading, mathematics, language arts, and guidance and counseling.

33 (11) \$4,000,000 of the general fund--state appropriation for fiscal
34 year 2002 and \$4,000,000 of the general fund--state appropriation for
35 fiscal year 2003 are provided solely for the Washington reading corps
36 subject to the following conditions and limitations:

37 (a) Grants shall be allocated to schools and school districts to
38 implement proven, research-based mentoring and tutoring programs in
39 reading for low-performing students in grades K-6. If the grant is

1 made to a school district, the principals of schools enrolling targeted
2 students shall be consulted concerning design and implementation of the
3 program.

4 (b) The programs may be implemented before, after, or during the
5 regular school day, or on Saturdays, summer, intercessions, or other
6 vacation periods.

7 (c) Two or more schools may combine their Washington reading corps
8 programs.

9 (d) A program is eligible for a grant if it meets the following
10 conditions:

11 (i) The program employs methods of teaching and student learning
12 based on reliable reading/literacy research and effective practices;

13 (ii) The program design is comprehensive and includes instruction,
14 on-going student assessment, professional development,
15 parental/community involvement, and program management aligned with the
16 school's reading curriculum;

17 (iii) It provides quality professional development and training for
18 teachers, staff, and volunteer mentors and tutors;

19 (iv) It has measurable goals for student reading aligned with the
20 essential academic learning requirements; and

21 (v) It contains an evaluation component to determine the
22 effectiveness of the program.

23 (e) Funding priority shall be given to low-performing schools.

24 (f) Beginning and end-of-program testing data shall be available to
25 determine the effectiveness of funded programs and practices. Common
26 evaluative criteria across programs, such as grade-level improvements
27 shall be available for each reading corps program. The superintendent
28 of public instruction shall provide program evaluations to the governor
29 and the appropriate committees of the legislature. Administrative and
30 evaluation costs may be assessed from the annual appropriation for the
31 program.

32 (g) Grants provided under this section may be used by schools and
33 school districts for expenditures from September 2001 through August
34 31, 2003.

35 (12) \$307,000 of the general fund--state appropriation for fiscal
36 year 2002 and \$530,000 of the general fund--state appropriation for
37 fiscal year 2003 are provided solely for salary bonuses for teachers
38 who attain certification by the national board for professional
39 teaching standards.

1 (a) In the 2001-02 school year, teachers who have attained
2 certification by the national board in the 2000-01 school year or the
3 2001-02 school year shall receive an annual bonus not to exceed \$3,500.

4 (b) In the 2002-03 school year, teachers who have attained
5 certification by the national board in the 2001-02 school year or the
6 2002-03 school year shall receive an annual bonus not to exceed \$3,500.

7 (c) The annual bonus shall be paid in a lump sum amount and shall
8 not be included in the definition of "earnable compensation" under RCW
9 41.32.010(10).

10 (d) It is the intent of the legislature that teachers achieving
11 certification by the national board of professional teaching standards
12 will receive no more than two bonus payments under this subsection.

13 (13) \$625,000 of the general fund--state appropriation for fiscal
14 year 2002 and \$625,000 of the general fund--state appropriation for
15 fiscal year 2003 are provided for a principal support program. The
16 office of the superintendent of public instruction may contract with an
17 independent organization to administer the program. The program shall
18 include: (a) Development of an individualized professional growth plan
19 for a new principal or principal candidate; and (b) participation of a
20 mentor principal who works over a period of between one and three years
21 with the new principal or principal candidate to help him or her build
22 the skills identified as critical to the success of the professional
23 growth plan.

24 (14) \$71,000 of the general fund--state appropriation for fiscal
25 year 2002 and \$71,000 of the general fund--state appropriation for
26 fiscal year 2003 are provided solely for the second grade reading test.
27 The funds shall be expended for assessment training for new second
28 grade teachers and replacement of assessment materials.

29 (15) \$384,000 of the general fund--state appropriation for fiscal
30 year 2002 and \$384,000 of the general fund--state appropriation for
31 fiscal year 2003 are provided for the superintendent to assist schools
32 in implementing high academic standards, aligning curriculum with these
33 standards, and training teachers to use assessments to improve student
34 learning. Funds may also be used to increase community and parental
35 awareness of education reform.

36 (16) \$130,000 of the general fund--state appropriation for fiscal
37 year 2002 and \$130,000 of the general fund--state appropriation for
38 fiscal year 2003 are provided for the development and posting of web-

based instructional tools, assessment data, and other information that assists schools and teachers implementing higher academic standards.

(17) \$2,357,000 of the general fund--state appropriation for fiscal year 2002 and \$5,343,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the implementation of focused assistance pursuant to Engrossed Second Substitute Senate Bill No. 5625 (focused assistance to schools). If the bill is not enacted by June 30, 2001, the amounts provided in this subsection shall lapse.

NEW SECTION. Sec. 515. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL BILINGUAL PROGRAMS

General Fund--State Appropriation (FY 2002) . . .	\$	43,044,000
General Fund--State Appropriation (FY 2003) . . .	\$	45,171,000
TOTAL APPROPRIATION	\$	88,215,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) The superintendent shall distribute a maximum of \$687.19 per eligible bilingual student in the 2001-02 school year and \$687.19 in the 2002-03 school year, exclusive of salary and benefit adjustments provided in section 504 of this act.

(3) The superintendent may withhold up to \$295,000 in school year 2001-02 and up to \$268,000 in school year 2002-03, and adjust the per eligible pupil rates in subsection (2) of this section accordingly, for the central provision of assessments as provided in section 2(1) and (2) of Engrossed Second Substitute House Bill No. 2025.

(4) \$70,000 of the amounts appropriated in this section are provided solely to develop a system for the tracking of current and former transitional bilingual program students.

(5) Sufficient funding is provided to implement Engrossed Second Substitute House Bill No. 2025 (schools/bilingual instruction).

NEW SECTION. Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING ASSISTANCE PROGRAM

General Fund--State Appropriation (FY 2002) . . .	\$	70,593,000
General Fund--State Appropriation (FY 2003) . . .	\$	68,817,000

1 TOTAL APPROPRIATION \$ 139,410,000

2 The appropriations in this section are subject to the following
3 conditions and limitations:

4 (1) Each general fund fiscal year appropriation includes such funds
5 as are necessary to complete the school year ending in the fiscal year
6 and for prior fiscal year adjustments.

7 (2) Funding for school district learning assistance programs shall
8 be allocated at maximum rates of \$408.38 per funded unit for the 2001-
9 02 school year and \$409.41 per funded unit for the 2002-03 school year
10 exclusive of salary and benefit adjustments provided under section 504
11 of this act.

12 (3) For purposes of this section, "test results" refers to the
13 district results from the norm-referenced test administered in the
14 specified grade level. The norm-referenced test results used for the
15 third and sixth grade calculations shall be consistent with the third
16 and sixth grade tests required under RCW 28A.230.190 and 28A.230.193.

17 (4) A school district's funded units for the 2001-02 and 2002-03
18 school years shall be the sum of the following:

19 (a) The district's full-time equivalent enrollment in grades K-6,
20 multiplied by the 5-year average 4th grade lowest quartile test results
21 as adjusted for funding purposes in the school years prior to 1999-
22 2000, multiplied by 0.92. As the 3rd grade test becomes available, it
23 shall be phased into the 5-year average on a 1-year lag; and

24 (b) The district's full-time equivalent enrollment in grades 7-9,
25 multiplied by the 5-year average 8th grade lowest quartile test results
26 as adjusted for funding purposes in the school years prior to 1999-
27 2000, multiplied by 0.92. As the 6th grade test becomes available, it
28 shall be phased into the 5-year average for these grades on a 1-year
29 lag; and

30 (c) The district's full-time equivalent enrollment in grades 10-11
31 multiplied by the 5-year average 11th grade lowest quartile test
32 results, multiplied by 0.92. As the 9th grade test becomes available,
33 it shall be phased into the 5-year average for these grades on a 1-year
34 lag; and

35 (d) If, in the prior school year, the district's percentage of
36 October headcount enrollment in grades K-12 eligible for free and
37 reduced price lunch exceeded the state average, subtract the state
38 average percentage of students eligible for free and reduced price

lunch from the district's percentage and multiply the result by the district's K-12 annual average full-time equivalent enrollment for the current school year multiplied by 22.3 percent.

(5) School districts may carry over from one year to the next up to 10 percent of funds allocated under this program; however, carryover funds shall be expended for the learning assistance program.

NEW SECTION. Sec. 517. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--LOCAL ENHANCEMENT FUNDS

General Fund--State Appropriation (FY 2002) . . .	\$	19,515,000
General Fund--State Appropriation (FY 2003) . . .	\$	17,516,000
TOTAL APPROPRIATION	\$	37,031,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) Funds are provided for local education program enhancements to meet educational needs as identified by the school district, including alternative education programs.

(3) Allocations for the 2001-02 school year shall be at a maximum annual rate of \$18.48 per full-time equivalent student and \$18.48 per full-time equivalent student for the 2002-03 school year. Allocations shall be made on the monthly apportionment payment schedule provided in RCW 28A.510.250 and shall be based on school district annual average full-time equivalent enrollment in grades kindergarten through twelve: PROVIDED, That for school districts enrolling not more than one hundred average annual full-time equivalent students, and for small school plants within any school district designated as remote and necessary schools, the allocations shall be as follows:

(a) Enrollment of not more than sixty average annual full-time equivalent students in grades kindergarten through six shall generate funding based on sixty full-time equivalent students;

(b) Enrollment of not more than twenty average annual full-time equivalent students in grades seven and eight shall generate funding based on twenty full-time equivalent students; and

(c) Enrollment of not more than sixty average annual full-time equivalent students in grades nine through twelve shall generate funding based on sixty full-time equivalent students.

(4) Funding provided pursuant to this section does not fall within the definition of basic education for purposes of Article IX of the state Constitution and the state's funding duty thereunder.

(5) The superintendent shall not allocate up to one-fourth of a district's funds under this section if:

(a) The district is not maximizing federal matching funds for medical services provided through special education programs, pursuant to RCW 74.09.5241 through 74.09.5256 (Title XIX funding); or

(b) The district is not in compliance in filing truancy petitions as required under chapter 312, Laws of 1995 and RCW 28A.225.030.

NEW SECTION. Sec. 518. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BETTER SCHOOLS PROGRAM

General Fund--State Appropriation (FY 2002) . . .	\$	8,996,000
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The appropriation in this section is subject to the following conditions and limitations: \$8,996,000 is provided solely to complete the 2000-01 school year allocation for class size reduction and expanded learning opportunities pursuant to section 518, chapter 1, Laws of 2000 2nd sp. sess.

NEW SECTION. Sec. 519. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR STUDENT ACHIEVEMENT PROGRAM

Student Achievement Fund--State		
Appropriation (FY 2002)	\$	184,232,000
Student Achievement Fund--State		
Appropriation (FY 2003)	\$	209,068,000
TOTAL APPROPRIATION	\$	393,300,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The appropriation is allocated for the following uses as specified in chapter 28A.505 RCW as amended by chapter 3, Laws of 2001 (Initiative Measure No. 728):

(a) To reduce class size by hiring certificated elementary classroom teachers in grades K-4 and paying nonemployee-related costs associated with those new teachers;

(b) To make selected reductions in class size in grades 5-12, such as small high school writing classes;

(c) To provide extended learning opportunities to improve student academic achievement in grades K-12, including, but not limited to, extended school year, extended school day, before-and-after-school programs, special tutoring programs, weekend school programs, summer school, and all-day kindergarten;

(d) To provide additional professional development for educators including additional paid time for curriculum and lesson redesign and alignment, training to ensure that instruction is aligned with state standards and student needs, reimbursement for higher education costs related to enhancing teaching skills and knowledge, and mentoring programs to match teachers with skilled, master teachers. The funding shall not be used for salary increases or additional compensation for existing teaching duties, but may be used for extended year and extend day teaching contracts;

(e) To provide early assistance for children who need prekindergarten support in order to be successful in school; or

(f) To provide improvements or additions to school building facilities which are directly related to the class size reductions and extended learning opportunities under (a) through (c) of this subsection.

(2) Funding for school district student achievement programs shall be allocated at a maximum rate of \$193.92 per FTE student for the 2001-02 school year and \$220.59 per FTE student for the 2002-03 school year. For the purposes of this section and in accordance with RCW 84.52.--- (section 5 of Initiative Measure No. 728), FTE student refers to the annual average full-time equivalent enrollment of the school district in grades kindergarten through twelve for the prior school year.

(3) The office of the superintendent of public instruction shall distribute ten percent of the annual allocation to districts each month for the months of September through June.

NEW SECTION. Sec. 520. K-12 CARRYFORWARD AND PRIOR SCHOOL YEAR ADJUSTMENTS. State general fund appropriations provided to the superintendent of public instruction for state entitlement programs in the public schools in this part V of this act may be expended as needed by the superintendent for adjustments to apportionment for prior fiscal periods. Recoveries of state general fund moneys from school districts

1 and educational service districts for a prior fiscal period shall be
2 made as reductions in apportionment payments for the current fiscal
3 period and shall be shown as prior year adjustments on apportionment
4 reports for the current period. Such recoveries shall not be treated
5 as revenues to the state, but as a reduction in the amount expended
6 against the appropriation for the current fiscal period.

7 NEW SECTION. **Sec. 521. FOR THE STATE BOARD OF EDUCATION**

8 Education Savings Account--State

9 Appropriation \$ 36,720,000

10 Education Construction Account--State

11 Appropriation \$ 154,500,000

12 TOTAL APPROPRIATION \$ 191,220,000

13 The appropriations in this section are subject to the following
14 conditions and limitations:

15 (1) \$18,000,000 in fiscal year 2002 and \$18,720,000 in fiscal year
16 2003 of the education savings account appropriation shall be deposited
17 in the common school construction account.

18 (2) \$154,500,000 of the education construction account
19 appropriation shall be deposited in the common school construction
20 account.

21 (End of part)

PART VI
HIGHER EDUCATION

NEW SECTION. **Sec. 601.** The appropriations in sections 603 through 609 of this act are subject to the following conditions and limitations:

(1) "Institutions" means the institutions of higher education receiving appropriations under sections 603 through 609 of this act.

(2)(a) The salary increases provided or referenced in this subsection shall be the only allowable salary increases provided at institutions of higher education, excluding increases associated with normally occurring promotions and increases related to faculty and professional staff retention, and excluding increases associated with employees under the jurisdiction of chapter 41.56 RCW pursuant to the provisions of RCW 28B.16.015 and 28B.50.874(1).

(b) Each institution of higher education shall provide to each classified staff employee as defined by the office of financial management, except for classified staff at the technical colleges, a salary increase of 3.7 percent on July 1, 2001. The technical colleges shall provide to classified employees under chapter 41.56 RCW an average salary increase of 3.7 percent on July 1, 2001. Funds are also provided for salary increases for all classified employees on July 1, 2002, in a percentage amount to be determined by the 2002 legislature and, in the case of technical college classified staff, consistent with the provisions of Initiative 732.

(c) Each institution of higher education, except for the community and technical colleges, shall provide to state-funded instructional and research faculty, exempt professional staff, academic administrators, academic librarians, counselors, teaching and research assistants as classified by the office of financial management, and all other state-funded nonclassified staff, including those employees under RCW 28B.16.015, an average salary increase of 3.7 percent on July 1, 2001. Funds are also provided for salary increases for these employee groups on July 1, 2002, in a percentage amount to be determined by the 2002 legislature. Each institution may provide the same average increases to similar positions that are not state-funded.

1 (d) The community and technical colleges shall provide to academic
2 employees, exempt professional staff, and academic administrators an
3 average salary increase of 3.7 percent on July 1, 2001. Funds are also
4 provided for salary increases for these groups on July 1, 2002, in a
5 percentage amount to be determined by the 2002 legislature and, in the
6 case of community college academic employees and technical college
7 employees, consistent with the provisions of Initiative 732.

8 (e) For employees under the jurisdiction of chapter 41.56 RCW
9 pursuant to the provisions of RCW 28B.16.015 and 28B.50.874(1),
10 distribution of the salary increases will be in accordance with the
11 applicable collective bargaining agreement. However, an increase shall
12 not be provided to any classified employee whose salary is above the
13 approved salary range maximum for the class to which the employee's
14 position is allocated.

15 (f) Each institution of higher education receiving appropriations
16 under sections 604 through 609 of this act may provide additional
17 salary increases to instructional and research faculty, exempt
18 professional staff, academic administrators, academic librarians,
19 counselors, teaching and research assistants, as classified by the
20 office of financial management, and all other nonclassified staff, but
21 not including employees under RCW 28B.16.015. Any salary increase
22 granted under the authority of this subsection (2)(f) shall not be
23 included in an institution's salary base. It is the intent of the
24 legislature that general fund--state support for an institution shall
25 not increase during the current or any future biennium as a result of
26 any salary increases authorized under this subsection (2)(f).

27 (g) To collect consistent data for use by the legislature, the
28 office of financial management, and other state agencies for policy and
29 planning purposes, institutions of higher education shall report
30 personnel data to be used in the department of personnel's human
31 resource data warehouse in compliance with uniform reporting procedures
32 established by the department of personnel.

33 (h) Specific salary increases authorized in sections 603 through
34 609 of this act are in addition to any salary increase provided in this
35 subsection.

36 (3) The tuition fees, as defined in chapter 28B.15 RCW, charged to
37 full-time students at the state's institutions of higher education for
38 the 2001-02 and 2002-03 academic years, other than the summer term, may
39 be adjusted by the governing boards of the state universities, regional

1 universities, The Evergreen State College, and the state board for
2 community and technical colleges as provided in this subsection.

3 (a) For the 2001-02 academic year, the governing boards and the
4 state board may implement an increase no greater than six and seven-
5 tenths percent over tuition fees charged to full-time students for the
6 2000-01 academic year.

7 (b) For the 2002-03 academic year, the governing boards and the
8 state board may implement an increase no greater than six and one-tenth
9 percent over the tuition fees charged to full-time students for the
10 2001-02 academic year.

11 (c) For the 2001-02 academic year, the governing boards may
12 implement an increase for law and graduate business programs no greater
13 than twelve percent over tuition fees charged to law and graduate
14 business students for the 2000-01 academic year.

15 (d) For the 2002-03 academic year, the governing boards may
16 implement an increase for law and graduate business programs no greater
17 than twelve percent over tuition fees charged to law and graduate
18 business students for the 2001-02 academic year.

19 (e) For the 2001-02 and the 2002-03 academic years, the state board
20 for community and technical colleges may increase fees differentially
21 based on student credit hour load, but the percentage increase for
22 students taking fifteen or fewer credits shall not exceed the limits in
23 subsection (3)(a) and (b) of this section.

24 (f) For the 2001-03 biennium, the governing boards and the state
25 board may adjust full-time operating fees for factors that may include
26 time of day and day of week, as well as delivery method and campus, to
27 encourage full use of the state's educational facilities and resources.

28 (g) The tuition increases adopted under (a), (b), (e), and (f) of
29 this subsection need not apply uniformly across student categories as
30 defined in chapter 28B.15 RCW so long as the increase for each student
31 category does not exceed the percentages specified in this subsection.

32 (4) In addition to waivers granted under the authority of RCW
33 28B.15.910, the governing boards and the state board may waive all or
34 a portion of the operating fees for any student. State general fund
35 appropriations shall not be provided to replace tuition and fee revenue
36 foregone as a result of waivers granted under this subsection.

37 (5) Pursuant to RCW 43.15.055, institutions of higher education
38 receiving appropriations under sections 603 through 609 of this act are
39 authorized to increase summer term tuition in excess of the fiscal

growth factor during the 2001-03 biennium. Tuition levels increased pursuant to this subsection shall not exceed the per credit hour rate calculated from the academic year tuition levels adopted under this act.

(6) Community colleges may increase services and activities fee charges in excess of the fiscal growth factor up to the maximum level authorized by the state board for community and technical colleges.

NEW SECTION. **Sec. 602.** The appropriations in sections 603 through 609 of this act provide state general fund support for full-time equivalent student enrollments at each institution of higher education. Listed below are the annual full-time equivalent student enrollments by institutions assumed in this act.

	2001-2002	2002-2003
	Annual	Annual
	Average	Average
University of Washington		
Main campus	32,321	32,427
Bothell branch	1,169	1,235
Tacoma branch	1,330	1,484
Washington State University		
Main campus	17,332	17,332
Spokane branch	551	593
Tri-Cities branch	616	616
Vancouver branch	1,071	1,153
Central Washington University	7,470	7,470
Eastern Washington University	7,933	8,017
The Evergreen State College	3,754	3,837
Western Washington University	10,976	11,126
State Board for Community and Technical Colleges	125,082	126,902

When allocating newly budgeted enrollments, each institution of higher education shall give priority to high demand fields, including but not limited to technology, health professions, and education. At the end of each fiscal year, each institution of higher education and

the state board for community and technical colleges shall submit a report to the higher education coordinating board detailing how newly budgeted enrollments have been allocated.

NEW SECTION. Sec. 603. FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES

General Fund--State Appropriation (FY 2002)	. . . \$	514,022,000
General Fund--State Appropriation (FY 2003)	. . . \$	542,954,000
General Fund--Federal Appropriation	. . . . . \$	11,404,000
Education Savings Account--State		
Appropriation (FY 2003)	. . . . . \$	4,500,000
TOTAL APPROPRIATION	. . . . . \$	1,072,880,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The technical colleges may increase tuition and fees in excess of the fiscal growth factor to conform with the percentage increase in community college operating fees.

(2) \$2,475,000 of the general fund--state appropriation for fiscal year 2002 and \$5,025,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to increase salaries and related benefits for part-time faculty. The board shall report by December 1 of each fiscal year to the office of financial management and legislative fiscal and higher education committees on (a) the distribution of state funds; (b) wage adjustments for part-time faculty; and (c) progress to achieve the long-term performance targets for each district, with respect to use of part-time faculty, pursuant to the faculty mix study conducted under section 603, chapter 309, Laws of 1999.

(3) \$990,000 of the general fund--state appropriation for fiscal year 2002 and \$2,010,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for faculty salary increments and associated benefits and may be used in combination with salary and benefit savings from faculty turnover to provide faculty salary increments and associated benefits. To the extent general salary increase funding is used to pay faculty increments, the general salary increase shall be reduced by the same amount.

(4) \$1,000,000 of the general fund--state appropriation for fiscal year 2002 and \$1,000,000 of the general fund--state appropriation for

fiscal year 2003 are provided for a program to fund the start-up of new community and technical college programs in rural counties as defined under RCW 43.160.020(12) and in communities impacted by business closures and job reductions. Successful proposals must respond to local economic development strategies and must include a plan to continue programs developed with this funding.

(5) \$326,000 of the general fund--state appropriation for fiscal year 2002 and \$640,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for allocation to twelve college districts identified in (a) through (l) of this subsection to prepare students for transfer to the state technology institute at the Tacoma branch campus of the University of Washington. The appropriations in this section are intended to supplement, not supplant, general enrollment allocations by the board to the districts under (a) through (l) of this subsection:

- (a) Bates Technical College;
- (b) Bellevue Community College;
- (c) Centralia Community College;
- (d) Clover Park Community College;
- (e) Grays Harbor Community College;
- (f) Green River Community College;
- (g) Highline Community College;
- (h) Tacoma Community College;
- (i) Olympic Community College;
- (j) Pierce District;
- (k) Seattle District; and
- (l) South Puget Sound Community College.

(6) \$28,761,000 of the general fund--state appropriation for fiscal year 2002 and \$28,761,000 of the general fund--state appropriation for fiscal year 2003 are provided solely as special funds for training and related support services, including financial aid, as specified in chapter 226, Laws of 1993 (employment and training for unemployed workers).

(a) Funding is provided to support up to 7,200 full-time equivalent students in each fiscal year.

(b) In directing these resources during the 2001-03 biennium, the state board for community and technical colleges shall give considerable attention to the permanent dislocation of workers from

1 industries facing rapidly rising energy costs, such as direct service
2 industries.

3 (7) \$1,000,000 of the general fund--state appropriation for fiscal
4 year 2002 and \$1,000,000 of the general fund--state appropriation for
5 fiscal year 2003 are provided solely for tuition support for students
6 enrolled in work-based learning programs.

7 (8) \$567,000 of the general fund--state appropriation for fiscal
8 year 2002 and \$568,000 of the general fund--state appropriation for
9 fiscal year 2003 are provided solely for administration and customized
10 training contracts through the job skills program.

11 (9) \$50,000 of the general fund--state appropriation for fiscal
12 year 2002 and \$50,000 of the general fund--state appropriation for
13 fiscal year 2003 are solely for higher education student child care
14 matching grants under chapter 28B.135 RCW.

15 (10) \$212,000 of the general fund--state appropriation for fiscal
16 year 2002 and \$212,000 of the general fund--state appropriation for
17 fiscal year 2003 are provided for allocation to Olympic college. The
18 college shall contract with accredited baccalaureate institution(s) to
19 bring a program of upper-division courses to Bremerton. Funds provided
20 are sufficient to support at least 30 additional annual full-time
21 equivalent students. The state board for community and technical
22 colleges shall report to the office of financial management and the
23 fiscal and higher education committees of the legislature on the
24 implementation of this subsection by December 1st of each fiscal year.

25 (11) The entire education savings account appropriation is provided
26 solely to support the development of a multicollege student-centered
27 online service center for distance learners, including self-service
28 internet applications and staff support 24 hours per day. Moneys may
29 be allocated by the office of financial management in fiscal year 2003
30 upon certification that sufficient cash is available beyond the
31 appropriations made for the 2001-03 biennium for the purposes of common
32 school construction.

33 (12) The appropriations in this section assume that \$3,000,000 of
34 the colleges' operating fee accounts will be used to deliver adult
35 basic education courses including English-as-a-Second Language and
36 general education development exam preparation. The legislature
37 intends that colleges stop waiving fees universally and charge not less
38 than \$5.00 a credit hour for adult basic education to help defray state

1 expense and increase positive educational outcomes for enrolled
2 students. Fees may be waived for students with limited income.

3 NEW SECTION. **Sec. 604. FOR UNIVERSITY OF WASHINGTON**

4	General Fund--State Appropriation (FY 2002) . . . \$	345,846,000
5	General Fund--State Appropriation (FY 2003) . . . \$	360,847,000
6	Death Investigations Account--State	
7	Appropriation \$	259,000
8	Accident Account--State Appropriation \$	5,891,000
9	Medical Aid Account--State Appropriation \$	5,945,000
10	TOTAL APPROPRIATION \$	718,788,000

11 The appropriations in this section are subject to the following
12 conditions and limitations:

13 (1) The university may reallocate 10 percent of newly budgeted
14 enrollments to campuses other than as specified by the legislature in
15 section 602 of this act in order to focus on high demand areas. The
16 university shall report the details of these reallocations to the
17 office of financial management and the fiscal and higher education
18 committees of the legislature for monitoring purposes by the 10th day
19 of the academic quarter that follows the reallocation actions. The
20 report shall provide details of undergraduate and graduate enrollments
21 at the main campus and each of the branch campuses.

22 (2) \$2,000,000 of the general fund--state appropriation for fiscal
23 year 2002 and \$2,000,000 of the general fund--state appropriation for
24 fiscal year 2003 are provided solely to create a state resource for
25 technology education in the form of an institute located at the
26 University of Washington, Tacoma. It is the intent of the legislature
27 that at least ninety-nine of the full-time equivalent enrollments
28 allocated to the university's Tacoma branch campus for the 2002-03
29 academic year may be used to establish the technology institute. The
30 university will expand undergraduate and graduate degree programs
31 meeting regional technology needs including, but not limited to,
32 computing and software systems. As a condition of these
33 appropriations:

34 (a) The university will work with the state board for community and
35 technical colleges, or individual colleges where necessary, to
36 establish articulation agreements in addition to the existing associate
37 of arts and associate of science transfer degrees. Such agreements

shall improve the transferability of students and in particular, students with substantial applied information technology credits.

(b) The university will establish performance measures for recruiting, retaining and graduating students, including nontraditional students, and report back to the governor and legislature by September 2002 as to its progress and future steps.

(3) \$150,000 of the general fund--state appropriation for fiscal year 2002 and \$150,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for research faculty clusters in the advanced technology initiative program.

(4) The department of environmental health shall report to the legislature the historical, current, and anticipated use of funds provided from the accident and medical aid accounts. The report shall be submitted prior to the convening of the 2002 legislative session.

(5) \$259,000 of the death investigations account appropriation is provided solely for the forensic pathologist fellowship program.

(6) \$150,000 of the general fund--state appropriation for fiscal year 2002 and \$150,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the implementation of the Puget Sound work plan and agency action item UW-01.

(7) \$75,000 of the general fund--state appropriation for fiscal year 2002 and \$75,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the Olympic natural resource center.

(8) \$50,000 of the general fund--state appropriations are provided solely for the school of medicine to conduct a survey designed to evaluate characteristics, factors and probable causes for the high incidence of multiple sclerosis cases in Washington state.

NEW SECTION. Sec. 605. FOR WASHINGTON STATE UNIVERSITY

General Fund--State Appropriation (FY 2002)	. . . \$	201,343,000
General Fund--State Appropriation (FY 2003)	. . . \$	209,789,000
TOTAL APPROPRIATION	. . . . . \$	411,132,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The university may reallocate 10 percent of newly budgeted enrollments to campuses other than specified by the legislature in section 602 of this act in order to focus on high demand areas. The

1 university will report the details of these reallocations to the office
2 of financial management and the fiscal and higher education committees
3 of the legislature for monitoring purposes by the 10th day of the
4 academic quarter that follows the reallocation actions. The report
5 will provide details of undergraduate and graduate enrollments at the
6 main campus and each of the branch campuses.

7 (2) \$150,000 of the general fund--state appropriation for fiscal
8 year 2002 and \$150,000 of the general fund--state appropriation for
9 fiscal year 2003 are provided solely for research faculty clusters in
10 the advanced technology initiative program.

11 (3) \$165,000 of the general fund--state appropriation for fiscal
12 year 2002 and \$166,000 of the general fund--state appropriation for
13 fiscal year 2003 are provided solely for the implementation of the
14 Puget Sound work plan and agency action item WSU-01.

15 NEW SECTION. **Sec. 606. FOR EASTERN WASHINGTON UNIVERSITY**

16	General Fund--State Appropriation (FY 2002) . . . \$	45,513,000
17	General Fund--State Appropriation (FY 2003) . . . \$	47,344,000
18	TOTAL APPROPRIATION \$	92,857,000

19 NEW SECTION. **Sec. 607. FOR CENTRAL WASHINGTON UNIVERSITY**

20	General Fund--State Appropriation (FY 2002) . . . \$	44,144,000
21	General Fund--State Appropriation (FY 2003) . . . \$	44,934,000
22	TOTAL APPROPRIATION \$	89,078,000

23 The appropriations in this section are subject to the following
24 conditions and limitations: \$700,000 of the general fund--state
25 appropriation for fiscal year 2002 is provided solely for the
26 development and implementation of the university's enrollment
27 stabilization recovery and growth plan. The university shall report
28 back to the fiscal committees of the legislature, the office of
29 financial management, and the higher education coordinating board at
30 the end of each fiscal year with details of its actions and progress.

31 NEW SECTION. **Sec. 608. FOR THE EVERGREEN STATE COLLEGE**

32	General Fund--State Appropriation (FY 2002) . . . \$	25,324,000
33	General Fund--State Appropriation (FY 2003) . . . \$	26,237,000
34	TOTAL APPROPRIATION \$	51,561,000

1 The appropriations in this section are subject to the following
2 conditions and limitations:

3 (1) \$75,000 of the general fund--state appropriation for fiscal
4 year 2002 is provided solely for the institute for public policy to
5 complete studies of services described in section 202(1), chapter 1,
6 Laws of 2000 2nd sp. sess.

7 (2) \$11,000 of the general fund--state appropriation for fiscal
8 year 2002 and \$54,000 of the general fund--state appropriation for
9 fiscal year 2003 are provided solely for the institute for public
10 policy to conduct an outcome evaluation pursuant to Substitute Senate
11 Bill No. 5416 (drug-affected infants). The institute shall provide a
12 report to the fiscal, health, and human services committees of the
13 legislature by December 1, 2003. If the bill is not enacted by June
14 30, 2001, the amounts provided in this subsection shall be used to
15 evaluate outcomes across state health and social service pilot projects
16 and other national models involving women who have given birth to a
17 drug-affected infant, comparing gains in positive birth outcomes for
18 resources invested, in which case the institute's findings and
19 recommendations will be provided by November 15, 2002.

20 (3) \$11,000 of the general fund--state appropriation for fiscal
21 year 2002 and \$33,000 of the general fund--state appropriation for
22 fiscal year 2003 are provided solely for the institute for public
23 policy to evaluate partnership grant programs for alternative teacher
24 certification pursuant to Engrossed Second Substitute Senate Bill No.
25 5695. An interim report shall be provided to the fiscal and education
26 committees of the legislature by December 1, 2002, and a final report
27 by December 1, 2004.

28 (4) \$60,000 of the general fund--state appropriation for fiscal
29 year 2002 is provided solely for the institute for public policy to
30 examine options for revising the state's funding formula for the
31 learning assistance program to enhance accountability for school
32 performance in meeting education reform goals. The institute shall
33 submit its report to the appropriate legislative fiscal and policy
34 committees by June 30, 2002.

35 (5) \$50,000 of the general fund--state appropriation for fiscal
36 year 2002 is provided solely for the institute for public policy to
37 study the prevalence and needs of families who are raising related
38 children. The study shall compare services and policies of Washington
39 state with other states that have a high rate of kinship care

1 placements in lieu of foster care placements. The study shall identify
2 possible changes in services and policies that are likely to increase
3 appropriate kinship care placements. A report shall be provided to the
4 fiscal and human services committees of the legislature by June 1,
5 2002.

6 (6) \$35,000 of the general fund--state appropriation for fiscal
7 year 2002 and \$15,000 of the general fund--state appropriation for
8 fiscal year 2003 are provided solely for the institute for public
9 policy to examine various educational delivery models for providing
10 services and education for students through the Washington state school
11 for the deaf. The institute's report, in conjunction with the capacity
12 planning study from the joint legislative audit and review committee,
13 shall be submitted to the fiscal committees of the legislature by
14 September 30, 2002.

15 (7) \$30,000 of the general fund--state appropriation for fiscal
16 year 2002 is provided solely for the institute for public policy to
17 examine the structure, policies, and recent experience in states where
18 welfare recipients may attend college full-time as their required TANF
19 work activity. The institute will provide findings and recommend how
20 Washington could consider adding this feature in a targeted, cost-
21 neutral manner that would complement the present-day WorkFirst efforts
22 and caseload. The institute shall provide a report to the human
23 services, higher education, and fiscal committees of the legislature by
24 November 15, 2001.

25 (8) \$75,000 of the general fund--state appropriation for fiscal
26 year 2002 and \$75,000 of the general fund--state appropriation for
27 fiscal year 2003 are provided solely for the institute for public
28 policy to research and evaluate strategies for constraining the growth
29 in state health expenditures. Specific research topics, approaches,
30 and timelines shall be identified in consultation with the fiscal
31 committees of the legislature.

32 (9) \$100,000 of the general fund--state appropriation for fiscal
33 year 2002 is provided solely for the institute for public policy to
34 conduct a comprehensive review of the costs and benefits of existing
35 juvenile crime prevention and intervention programs. This evaluation
36 shall also consider what changes could result in more cost-effective
37 and efficient funding for juvenile crime prevention and intervention
38 programs presently supported with state funds. The institute for
39 public policy shall report its findings and recommendations to the

1 appropriate legislative fiscal and policy committees by October 1,
2 2002.

3 NEW SECTION. **Sec. 609. FOR WESTERN WASHINGTON UNIVERSITY**

4	General Fund--State Appropriation (FY 2002) . . .	\$	59,733,000
5	General Fund--State Appropriation (FY 2003) . . .	\$	62,833,000
6	TOTAL APPROPRIATION	\$	122,566,000

7 The appropriations in this section are subject to the following
8 conditions and limitations: \$753,000 of the general fund--state
9 appropriation for fiscal year 2002 and \$1,032,000 of the general fund--
10 state appropriation for fiscal year 2003 are provided solely for the
11 operations of the North Snohomish, Island, Skagit (NSIS) higher
12 education consortium.

13 NEW SECTION. **Sec. 610. FOR THE HIGHER EDUCATION COORDINATING**
14 **BOARD--POLICY COORDINATION AND ADMINISTRATION**

15	General Fund--State Appropriation (FY 2002) . . .	\$	2,345,000
16	General Fund--State Appropriation (FY 2003) . . .	\$	2,408,000
17	General Fund--Federal Appropriation	\$	636,000
18	TOTAL APPROPRIATION	\$	5,389,000

19 The appropriations in this section are provided to carry out the
20 policy coordination, planning, studies and administrative functions of
21 the board and are subject to the following conditions and limitations:

22 (1) \$150,000 of the general fund--state appropriation for fiscal
23 year 2002 and \$150,000 of the general fund--state appropriation for
24 fiscal year 2003 are provided solely to continue the teacher training
25 pilot program pursuant to chapter 177, Laws of 1999.

26 (2) \$105,000 of the general fund--state appropriation for fiscal
27 year 2002 and \$245,000 of the general fund--state appropriation for
28 fiscal year 2003 are provided solely to continue a demonstration
29 project to improve rural access to post-secondary education by bringing
30 distance learning technologies into Jefferson county.

31 NEW SECTION. **Sec. 611. FOR THE HIGHER EDUCATION COORDINATING**
32 **BOARD--FINANCIAL AID AND GRANT PROGRAMS**

33	General Fund--State Appropriation (FY 2002) . . .	\$	123,645,000
34	General Fund--State Appropriation (FY 2003) . . .	\$	136,205,000
35	General Fund--Federal Appropriation	\$	7,511,000

1 Advanced College Tuition Payment Program Account--
2 State Appropriation \$ 3,604,000
3 TOTAL APPROPRIATION \$ 270,965,000

4 The appropriations in this section are subject to the following
5 conditions and limitations:

6 (1) \$534,000 of the general fund--state appropriation for fiscal
7 year 2002 and \$529,000 of the general fund--state appropriation for
8 fiscal year 2003 are provided solely for the displaced homemakers
9 program.

10 (2) \$234,000 of the general fund--state appropriation for fiscal
11 year 2002 and \$240,000 of the general fund--state appropriation for
12 fiscal year 2003 are provided solely for the western interstate
13 commission for higher education.

14 (3) \$1,000,000 of the general fund--state appropriation for fiscal
15 year 2002 and \$1,000,000 of the general fund--state appropriation for
16 fiscal year 2003 are provided solely for the health professional
17 conditional scholarship and loan program under chapter 28B.115 RCW.
18 This amount shall be deposited to the health professional loan
19 repayment and scholarship trust fund to carry out the purposes of the
20 program.

21 (4) \$1,000,000 of the general fund--state appropriations is
22 provided solely to continue a demonstration project that enables
23 classified public K-12 employees to become future teachers, subject to
24 the following conditions and limitations:

25 (a) Within available funds, the board may renew and offer
26 conditional scholarships of up to \$4,000 per year for full or part-time
27 studies that may be forgiven in exchange for teaching service in
28 Washington's public K-12 schools. In selecting loan recipients, the
29 board shall take into account the applicant's demonstrated academic
30 ability and commitment to serve as a teacher within the state of
31 Washington.

32 (b) Loans shall be forgiven at the rate of one year of loan for two
33 years of teaching service. Recipients who teach in geographic or
34 subject-matter shortage areas, as specified by the office of the
35 superintendent for public instruction, may have their loans forgiven at
36 the rate of one year of loan for one year of teaching service;

37 (c) Recipients who fail to fulfill the required teaching service
38 shall be required to repay the conditional loan with interest. The

board shall define the terms for repayment, including applicable interest rates, fees and deferments, and may adopt other rules as necessary to implement this demonstration project.

(d) The board may deposit this appropriation and all collections into the student loan account authorized in RCW 28B.102.060.

(e) The board will provide the legislature and governor with findings about the impact of this demonstration project on persons entering the teaching profession in shortage areas by no later than January of 2002.

(5) \$75,000 of the general fund--state appropriation for fiscal year 2002 and \$75,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for higher education student child care matching grants under chapter 28B.135 RCW.

(6) \$25,000 of the general fund--state appropriation for fiscal year 2002 and \$25,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the benefit of students who participate in college assistance migrant programs (CAMP) operating in Washington state. To ensure timely state aid, the board may establish a date after which no additional grants would be available for the 2001-02 and 2002-03 academic years. The board shall disperse grants in equal amounts to eligible post-secondary institutions so that state money in all cases supplements federal CAMP awards.

(7) \$120,156,000 of the general fund--state appropriation for fiscal year 2002 and \$133,965,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for student financial aid, including all administrative costs. Of these amounts:

(a) \$90,566,000 of the general fund--state appropriation for fiscal year 2002 and \$102,667,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the state need grant program. After April 1 of each fiscal year, up to one percent of the annual appropriation for the state need grant program may be transferred to the state work study program;

(b) \$16,340,000 of the general fund--state appropriation for fiscal year 2002 and \$17,360,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the state work study program. After April 1 of each fiscal year, up to one percent of the annual appropriation for the state work study program may be transferred to the state need grant program;

1 (c) \$2,920,000 of the general fund--state appropriation for fiscal
2 year 2002 and \$2,920,000 of the general fund--state appropriation for
3 fiscal year 2003 are provided solely for educational opportunity
4 grants. The board may deposit sufficient funds from its appropriation
5 into the state education trust fund as established in RCW 28B.10.821 to
6 provide a one-year renewal of the grant for each new recipient of the
7 educational opportunity grant award. For the purpose of establishing
8 eligibility for the equal opportunity grant program for placebound
9 students under RCW 28B.101.020, Thurston county lies within the branch
10 campus service area of the Tacoma branch campus of the University of
11 Washington;

12 (d) A maximum of 2.1 percent of the general fund--state
13 appropriation for fiscal year 2002 and 2.1 percent of the general
14 fund--state appropriation for fiscal year 2003 may be expended for
15 financial aid administration, excluding the 4 percent state work study
16 program administrative allowance provision;

17 (e) \$1,241,000 of the general fund--state appropriation for fiscal
18 year 2002 and \$1,428,000 of the general fund--state appropriation for
19 fiscal year 2003 are provided solely to implement the Washington
20 scholars program. Any Washington scholars program moneys not awarded
21 by April 1st of each year may be transferred by the board to the
22 Washington award for vocational excellence;

23 (f) \$588,000 of the general fund--state appropriation for fiscal
24 year 2002 and \$589,000 of the general fund--state appropriation for
25 fiscal year 2003 are provided solely to implement Washington award for
26 vocational excellence program. Any Washington award for vocational
27 program moneys not awarded by April 1st of each year may be transferred
28 by the board to the Washington scholars program;

29 (g) \$251,000 of the general fund--state appropriation for fiscal
30 year 2002 and \$251,000 of the general fund--state appropriation for
31 fiscal year 2003 are provided solely for community scholarship matching
32 grants of \$2,000 each. Of the amounts provided, no more than \$5,200
33 each year is for the administration of the community scholarship
34 matching grant program. To be eligible for the matching grant, a
35 nonprofit community organization organized under section 501(c)(3) of
36 the internal revenue code must demonstrate that it has raised \$2,000 in
37 new moneys for college scholarships after the effective date of this
38 act. An organization may receive more than one \$2,000 matching grant

1 and preference shall be given to organizations affiliated with the
2 citizens' scholarship foundation; and

3 (h) \$8,250,000 of the general fund--state appropriation for fiscal
4 year 2002 and \$8,750,000 of the general fund--state appropriation for
5 fiscal year 2003 are provided solely for the Washington promise
6 scholarship program subject to the following conditions and
7 limitations:

8 (i) Within available funds, the higher education coordinating board
9 shall award scholarships for use at accredited institutions of higher
10 education in the state of Washington to as many students as possible
11 from among those qualifying under (iv) of this subsection. Each
12 qualifying student will receive two consecutive annual installments,
13 the value of each not to exceed the full-time annual resident tuition
14 rates charged by community colleges.

15 (ii) Of the amounts provided, no more than \$260,000 each year is
16 for administration of the Washington promise scholarship program.

17 (iii) Other than funds provided for program administration, the
18 higher education coordinating board shall deposit all money received
19 for the program in the Washington promise scholarship account, a
20 nonappropriated fund in the custody of the state treasurer. The
21 account shall be self-sustaining and consist of funds appropriated by
22 the legislature for these scholarships, private contributions, and
23 receipts from refunds of tuition and fees.

24 (iv) Scholarships in the 2001-03 biennium shall be awarded to
25 students who graduate from high school or its equivalent whose family
26 income does not exceed one hundred thirty-five percent of the state's
27 median family income, adjusted for family size, if they meet any of the
28 following academic criteria:

29 (A) Students graduating from public and approved private high
30 schools under chapter 28A.195 RCW must be in the top fifteen percent of
31 their graduating class, or must equal or exceed a cumulative scholastic
32 assessment test score of 1200 on their first attempt;

33 (B) Students participating in home-based instruction as provided in
34 chapter 28A.200 RCW must equal or exceed a cumulative scholastic
35 assessment test score of 1200 on their first attempt.

36 (v) For students eligible under (iv) of this subsection, the
37 superintendent of public instruction shall provide the higher education
38 coordinating board with the names, addresses, and unique numeric
39 identifiers of students in the top fifteen percent or who meet the

1 scholastic aptitude test score requirement, as appropriate in each of
2 the respective high school senior or home based instruction classes in
3 Washington state. This shall be provided no later than October 1 of
4 each year.

5 (vi) Scholarships awarded under this section may only be used at
6 accredited institutions of higher education in the state of Washington
7 for college-related expenses, including but not limited to, tuition,
8 room and board, books, materials, and transportation. The Washington
9 promise scholarship award shall not supplant other scholarship awards,
10 financial aid, or tax programs related to postsecondary education.
11 Scholarships may not be transferred or refunded to students.

12 (vii) The higher education coordinating board shall evaluate the
13 impact and effectiveness of the Washington promise scholarship program.
14 The evaluation shall include, but not be limited to: (A) An analysis
15 of other financial assistance promise scholarship recipients are
16 receiving through other federal, state, and institutional programs,
17 including grants, work study, tuition waivers, tax credits, and loan
18 programs; (B) an analysis of whether the implementation of the promise
19 scholarship program has had an impact on student indebtedness; and (C)
20 an evaluation of what types of students are successfully completing
21 high school but do not have the financial ability to attend college
22 because they cannot obtain financial aid or the financial aid is
23 insufficient. The board shall report its findings to the governor and
24 the legislature by December 1, 2002.

25 (viii) The higher education coordinating board may adopt rules as
26 necessary to implement this program.

27 **NEW SECTION. Sec. 612. FOR THE WORK FORCE TRAINING AND EDUCATION**
28 **COORDINATING BOARD**

29	General Fund--State Appropriation (FY 2002) . . . \$	1,762,000
30	General Fund--State Appropriation (FY 2003) . . . \$	1,720,000
31	General Fund--Federal Appropriation \$	44,987,000
32	TOTAL APPROPRIATION \$	48,469,000

33 The appropriations in this section are subject to the following
34 conditions and limitations: \$500,000 of the general fund--state
35 appropriation for fiscal year 2002 and \$500,000 of the general fund--
36 state appropriation for fiscal year 2003 are provided solely for the
37 operations and development of the inland northwest technology education

1 center (INTEC) as a regional resource and model for the rapid
2 deployment of skilled workers trained in the latest technologies for
3 Washington. The board shall serve as an advisor to and fiscal agent
4 for INTEC, and will report back to the governor and legislature by
5 September 2002 as to the progress and future steps for INTEC as this
6 new public-private partnership evolves.

7 NEW SECTION. **Sec. 613. FOR THE SPOKANE INTERCOLLEGIATE RESEARCH**
8 **AND TECHNOLOGY INSTITUTE**

9	General Fund--State Appropriation (FY 2002)	. . . \$	1,500,000
10	General Fund--State Appropriation (FY 2003)	. . . \$	1,500,000
11	TOTAL APPROPRIATION	. . . . . \$	3,000,000

12 NEW SECTION. **Sec. 614. FOR WASHINGTON STATE LIBRARY**

13	General Fund--State Appropriation (FY 2002)	. . . \$	8,791,000
14	General Fund--State Appropriation (FY 2003)	. . . \$	8,786,000
15	General Fund--Federal Appropriation	. . . . . \$	6,976,000
16	TOTAL APPROPRIATION	. . . . . \$	24,553,000

17 The appropriations in this section are subject to the following
18 conditions and limitations: At least \$2,700,000 shall be expended for
19 a contract with the Seattle public library for library services for the
20 Washington book and braille library.

21 NEW SECTION. **Sec. 615. FOR THE WASHINGTON STATE ARTS COMMISSION**

22	General Fund--State Appropriation (FY 2002) \$	2,873,000
23	General Fund--State Appropriation (FY 2003)	. . . . . \$	2,874,000
24	General Fund--Federal Appropriation	. . . . . \$	1,000,000
25	TOTAL APPROPRIATION	. . . . . \$	6,747,000

26 NEW SECTION. **Sec. 616. FOR THE WASHINGTON STATE HISTORICAL**
27 **SOCIETY**

28	General Fund--State Appropriation (FY 2002)	. . . . . \$	2,899,000
29	General Fund--State Appropriation (FY 2003)	. . . . . \$	3,129,000
30	TOTAL APPROPRIATION	. . . . . \$	6,028,000

31 The appropriations in this section are subject to the following
32 conditions and limitations: \$90,000 of the general fund--state
33 appropriation for fiscal year 2002 and \$285,000 of the general fund--

1 state appropriation for fiscal year 2003 are provided solely for
2 activities related to the Lewis and Clark Bicentennial.

3 NEW SECTION. **Sec. 617. FOR THE EASTERN WASHINGTON STATE**
4 **HISTORICAL SOCIETY**

5	General Fund--State Appropriation (FY 2002)	\$	1,674,000
6	General Fund--State Appropriation (FY 2003)	\$	1,535,000
7	TOTAL APPROPRIATION	\$	3,209,000

8 NEW SECTION. **Sec. 618. FOR THE STATE SCHOOL FOR THE BLIND**

9	General Fund--State Appropriation (FY 2002)	\$	4,520,000
10	General Fund--State Appropriation (FY 2003)	\$	4,591,000
11	General Fund--Private/Local Appropriation	\$	1,173,000
12	TOTAL APPROPRIATION	\$	10,284,000

13 NEW SECTION. **Sec. 619. FOR THE STATE SCHOOL FOR THE DEAF**

14	General Fund--State Appropriation (FY 2002)	\$	7,395,000
15	General Fund--State Appropriation (FY 2003)	\$	7,439,000
16	General Fund--Private/Local Appropriation	\$	232,000
17	TOTAL APPROPRIATION	\$	15,066,000

18 (End of part)

PART VII
SPECIAL APPROPRIATIONS

NEW SECTION. **Sec. 701. FOR THE STATE TREASURER--BOND RETIREMENT
AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR
DEBT SUBJECT TO THE DEBT LIMIT**

General Fund--State Appropriation (FY 2002)	\$	644,097,000
General Fund--State Appropriation (FY 2003)	\$	552,290,000
State Building Construction Account--State Appropriation	\$	11,351,000
Debt-Limit Reimbursable Bond Retire Account-- State Appropriation	\$	2,591,000
TOTAL APPROPRIATION	\$	1,210,329,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for deposit into the debt-limit general fund bond retirement account. The appropriation for fiscal year 2002 shall be deposited in the debt-limit general fund bond retirement account by June 30, 2002.

NEW SECTION. **Sec. 702. FOR THE STATE TREASURER--BOND RETIREMENT
AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR
GENERAL OBLIGATION DEBT TO BE REIMBURSED BY ENTERPRISE ACTIVITIES**

State Convention and Trade Center Account-- State Appropriation	\$	39,950,000
Accident Account--State Appropriation	\$	5,590,000
Medical Aid Account--State Appropriation	\$	5,590,000
TOTAL APPROPRIATION	\$	51,130,000

NEW SECTION. **Sec. 703. FOR THE STATE TREASURER--BOND RETIREMENT
AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR
GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE**

General Fund--State Appropriation (FY 2002)	\$	24,542,000
General Fund--State Appropriation (FY 2003)	\$	26,706,000
Capitol Historic District Construction Account--State Appropriation	\$	454,000
Higher Education Construction Account--State		

1	Appropriation	\$	815,000
2	State Higher Education Construction Account--		
3	State Appropriation	\$	348,000
4	State Vehicle Parking Account--State		
5	Appropriation	\$	35,000
6	Nondebt-Limit Reimbursable Bond Retirement Account--		
7	State Appropriation	\$	128,043,000
8	TOTAL APPROPRIATION	\$	180,943,000

9 The appropriations in this section are subject to the following
10 conditions and limitations: The general fund appropriation is for
11 deposit into the nondebt-limit general fund bond retirement account.

12 NEW SECTION. **Sec. 704. FOR THE STATE TREASURER--BOND RETIREMENT**
13 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**
14 **BOND SALE EXPENSES**

15	General Fund--State Appropriation (FY 2002) . .	\$	567,000
16	General Fund--State Appropriation (FY 2003) . .	\$	568,000
17	Higher Education Construction Account--State		
18	Appropriation	\$	77,000
19	State Higher Education Construction Account--		
20	State Appropriation	\$	42,000
21	State Building Construction Account--State		
22	Appropriation	\$	1,488,000
23	State Vehicle Parking Account--State		
24	Appropriation	\$	5,000
25	Capitol Historic District Construction		
26	Account--State Appropriation	\$	130,000
27	TOTAL APPROPRIATION	\$	2,877,000

28 NEW SECTION. **Sec. 705. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
29 **EMERGENCY FUND**

30	General Fund--State Appropriation (FY 2002) . .	\$	850,000
31	General Fund--State Appropriation (FY 2003) . .	\$	850,000
32	TOTAL APPROPRIATION	\$	1,700,000

33 The appropriations in this section are subject to the following
34 conditions and limitations: The appropriations in this section are for
35 the governor's emergency fund for the critically necessary work of any
36 agency.

NEW SECTION. **Sec. 706. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
FIRE CONTINGENCY POOL. The sum of three million dollars, or so much
thereof as may be available on June 30, 2001, from the total amount of
unspent fiscal year 2001 fire contingency funding in the disaster
response account and the moneys appropriated to the disaster response
account in section 707 of this act, is appropriated for the purpose of
making allocations to the military department for fire mobilizations
costs or to the department of natural resources for fire suppression
costs.

NEW SECTION. **Sec. 707. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
FIRE CONTINGENCY INITIATIVE.

General Fund--State Appropriation (FY 2002) . . . \$ 2,000,000

The appropriation in this section is subject to the following
conditions and limitations: The entire amount is appropriated to the
disaster response account for the purposes specified in section 706 of
this act.

NEW SECTION. **Sec. 708. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
EXTRAORDINARY CRIMINAL JUSTICE COSTS

Public Safety and Education--State

Appropriation \$ 975,000

The appropriation in this section is subject to the following
conditions and limitations: The director of financial management shall
distribute the appropriation to the following counties in the amounts
designated for extraordinary criminal justice costs:

Cowlitz	\$	89,000
Franklin	\$	303,000
Klickitat	\$	45,000
Skagit	\$	102,000
Spokane	\$	192,000
Thurston	\$	122,000
Yakima	\$	121,000

TOTAL	\$	975,000

NEW SECTION. **Sec. 709. BELATED CLAIMS.** The agencies and institutions of the state may expend moneys appropriated in this act, upon approval of the office of financial management, for the payment of supplies and services furnished to the agency or institution in prior fiscal biennia.

NEW SECTION. **Sec. 710. FOR THE DEPARTMENT OF NATURAL RESOURCES--
DISTRIBUTION OF EXCESS FUNDS FROM THE FOREST DEVELOPMENT ACCOUNT**
Forest Development Account--State

Appropriation \$ 10,000,000

The appropriation in this section is provided solely for distribution of state forest land revenues to taxing authorities that received such revenue from fiscal year 1996 through fiscal year 2000.

(1) Within fifteen days of the effective date of this section, the department shall transmit funds in the amounts specified in subsection (3) of this section to the county treasurers of the counties receiving the funds.

(2) The county treasurers of the counties listed in this section shall distribute funds received from this appropriation to taxing authorities in proportion to the state forest board land funds distributed to the taxing authorities based on information available for the fiscal years 1996 through 2000. Funds to be credited to the state of Washington and funds credited to school district general levies shall be remitted to the state of Washington within thirty days after the effective date of this section for deposit into the general fund--state account.

(3) Funds shall be distributed in the following amounts:

Clallam	\$	1,488,192
Clark	\$	510,515
Cowlitz	\$	339,189
Grays Harbor	\$	310,945
Jefferson	\$	212,812
King	\$	212,433
Kitsap	\$	127,301
Klickitat	\$	74,728
Lewis	\$	1,533,114
Mason	\$	222,237
Pacific	\$	354,315

1	Pierce	\$	100,930
2	Skagit	\$	1,161,074
3	Skamania	\$	213,433
4	Snohomish	\$	1,263,596
5	Stevens	\$	3,793
6	Thurston	\$	850,395
7	Wahkiakum	\$	292,346
8	Whatcom	\$	728,653
9			-----
10	TOTAL	\$	10,000,000

11 NEW SECTION. **Sec. 711. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
12 **DIGITAL GOVERNMENT POOL**

13 Digital Government Revolving Account
14 Appropriation \$ 5,000,000

15 The appropriation in this section is subject to the following
16 conditions and limitations:

17 (1) The digital government revolving account appropriation is
18 provided solely to provide digital services of government to citizens,
19 businesses, and to state and other governments. The office of
20 financial management, in consultation with the department of
21 information services, shall allocate these funds as needed for digital
22 government projects.

23 (2) To facilitate the transfer of moneys from dedicated funds and
24 accounts, the state treasurer is directed to transfer sufficient moneys
25 from each dedicated fund or account to the digital government revolving
26 account, hereby created in the state treasury, in accordance with
27 schedules provided by the office of financial management for digital
28 government projects.

29 (3) Agencies receiving these allocations shall report at a minimum
30 to the information services board and to the office of financial
31 management on the progress of digital government projects and efforts.

32 NEW SECTION. **Sec. 712. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
33 **TECHNOLOGY POOL**

34 Digital Government Revolving Account
35 Appropriation \$ 7,518,456

The appropriation in this section is subject to the following conditions and limitations:

(1) The digital government revolving account appropriation is provided solely for an information technology funding pool for state executive branch agencies, excluding schools and institutions of higher education. The department may distribute funding from the pool for information technology purposes, including infrastructure improvements, technology required to satisfy federal reporting requirements, equipment purchase and replacement, web site and internet services, and software and systems upgrades. Projects may include information technology projects that were requested in agency budget requests but that are not specifically funded in agency appropriations (for example technology improvements in the department of community, trade, and economic development, data warehouse in the department of revenue, and system security and infrastructure in small agencies).

(2) Agencies that wish to receive these funds may make an application to the office of financial management. The office of financial management, in consultation with the department of information services and using criteria adopted by the information services board, shall allocate these funds as needed for digital government projects. The office of financial management shall not distribute funding for a specific project unless it is determined that there will be no net increase in ongoing operating costs resulting from the project.

(3) Allocations from this section may be made only for items and in proportion to the extent to which items would be typically funded by the state general fund.

**NEW SECTION. Sec. 713. FOR THE OFFICE OF FINANCIAL MANAGEMENT--
DIGITAL GOVERNMENT REVOLVING ACCOUNT**

General Fund--State Appropriation (FY 2002)	. . . \$	2,050,000
General Fund--State Appropriation (FY 2003)	. . . \$	2,050,000
TOTAL APPROPRIATION	. . . . . \$	4,100,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are provided solely for deposit in the digital government revolving account.

NEW SECTION. **Sec. 714. DEATH BENEFIT--COMMON SCHOOLS.** For the period from July 1, 2001, through June 30, 2003, a one hundred fifty thousand dollar death benefit shall be paid as a sundry claim to the estate of an employee in the common school system of the state who is killed in the course of employment. The determination of eligibility for the benefit shall be made consistent with Title 51 RCW by the department of labor and industries. The department of labor and industries shall notify the director of the department of general administration by order under RCW 51.52.050.

NEW SECTION. **Sec. 715. DEATH BENEFIT--STATE AGENCIES.** For the period from July 1, 2001, through June 30, 2003, a one hundred fifty thousand dollar death benefit shall be paid as a sundry claim to the estate of an employee of any state agency or higher education institution not otherwise provided a death benefit through coverage under their enrolled retirement system. The determination of eligibility for the benefit shall be made consistent with Title 51 RCW by the department of labor and industries. The department of labor and industries shall notify the director of the department of general administration by order under RCW 51.52.050.

NEW SECTION. **Sec. 716. FOR THE GOVERNOR--COMPENSATION--INSURANCE BENEFITS**

General Fund--State Appropriation (FY 2002)	\$	6,666,000
General Fund--State Appropriation (FY 2003)	\$	18,802,000
General Fund--Federal Appropriation	\$	8,008,000
General Fund--Private/Local Appropriation	\$	420,000
Salary and Insurance Increase Revolving Account		
Appropriation	\$	17,935,000
TOTAL APPROPRIATION	\$	51,831,000

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed \$455.57 per eligible employee for fiscal year 2002, and \$494.14 for fiscal year 2003.

(b) Within the rates in (a) of this subsection, \$2.02 per eligible employee shall be included in the employer funding rate for fiscal year

1 2002, and \$4.10 per eligible employee shall be included in the employer
2 funding rate for fiscal year 2003, solely to increase life insurance
3 coverage in accordance with a court approved settlement in *Burbage et*
4 *al. v. State of Washington* (Thurston county superior court cause no.
5 94-2-02560-8).

6 (c) In order to achieve the level of funding provided for health
7 benefits, the public employees' benefits board shall require any or all
8 of the following: Employee premium copayments, increases in point-of-
9 service cost sharing, the implementation of managed competition, or
10 make other changes to benefits consistent with RCW 41.05.065.

11 (d) The health care authority shall deposit any moneys received on
12 behalf of the uniform medical plan as a result of rebates on
13 prescription drugs, audits of hospitals, subrogation payments, or any
14 other moneys recovered as a result of prior uniform medical plan claims
15 payments, into the public employees' and retirees' insurance account to
16 be used for insurance benefits. Such receipts shall not be used for
17 administrative expenditures.

18 (2) To facilitate the transfer of moneys from dedicated funds and
19 accounts, the state treasurer is directed to transfer sufficient moneys
20 from each dedicated fund or account to the special fund salary and
21 insurance contribution increase revolving fund in accordance with
22 schedules provided by the office of financial management.

23 (3) The health care authority, subject to the approval of the
24 public employees' benefits board, shall provide subsidies for health
25 benefit premiums to eligible retired or disabled public employees and
26 school district employees who are eligible for parts A and B of
27 medicare, pursuant to RCW 41.05.085. From January 1, 2002, through
28 December 31, 2002, the subsidy shall be \$85.84. Starting January 1,
29 2003, the subsidy shall be \$102.55 per month.

30 (4) Technical colleges, school districts, and educational service
31 districts shall remit to the health care authority for deposit into the
32 public employees' and retirees' insurance account established in RCW
33 41.05.120 the following amounts:

34 (a) For each full-time employee, \$32.21 per month beginning
35 September 1, 2001, and \$37.10 beginning September 1, 2002;

36 (b) For each part-time employee who, at the time of the remittance,
37 is employed in an eligible position as defined in RCW 41.32.010 or
38 41.40.010 and is eligible for employer fringe benefit contributions for
39 basic benefits, \$32.49 each month beginning September 1, 2001, and

1 \$37.69 beginning September 1, 2002, prorated by the proportion of
2 employer fringe benefit contributions for a full-time employee that the
3 part-time employee receives.

4 The remittance requirements specified in this subsection shall not
5 apply to employees of a technical college, school district, or
6 educational service district who purchase insurance benefits through
7 contracts with the health care authority.

8 (5) The salary and insurance increase revolving account
9 appropriation includes amounts sufficient to fund health benefits for
10 ferry workers at the premium levels specified in subsection (1) of this
11 section, consistent with the 2001-2003 transportation appropriations
12 act.

13 NEW SECTION. **Sec. 717. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--**
14 **CONTRIBUTIONS TO RETIREMENT SYSTEMS.** The appropriations in this
15 section are subject to the following conditions and limitations: The
16 appropriations for the law enforcement officers' and firefighters'
17 retirement system shall be made on a monthly basis beginning July 1,
18 2001, consistent with chapter 41.45 RCW, and the appropriations for the
19 judges and judicial retirement systems shall be made on a quarterly
20 basis consistent with chapters 2.10 and 2.12 RCW.

21 (1) There is appropriated for state contributions to the law
22 enforcement officers' and fire fighters' retirement system:

23 General Fund--State Appropriation (FY 2002) . . . \$	15,552,000
24 General Fund--State Appropriation (FY 2003) . . . \$	16,668,000

25 The appropriations in this subsection are subject to the following
26 conditions and limitations: The appropriations include reductions to
27 reflect savings resulting from the implementation of state pension
28 contribution rates effective July 1, 2001, as provided in Senate Bill
29 No. 6167 or House Bill No. 2236.

30 (2) There is appropriated for contributions to the judicial
31 retirement system:

32 General Fund--State Appropriation (FY 2002) . . . \$	6,000,000
33 General Fund--State Appropriation (FY 2003) . . . \$	6,000,000

34 (3) There is appropriated for contributions to the judges
35 retirement system:

36 General Fund--State Appropriation (FY 2002) . . . \$	250,000
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1	General Fund--State Appropriation (FY 2003) . . .	\$	250,000
2	TOTAL APPROPRIATION	\$	44,720,000

3 NEW SECTION. **Sec. 718. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
4 **CONTRIBUTIONS TO RETIREMENT SYSTEMS**

5	General Fund--State Appropriation (FY 2002) . . .	\$	(17,246,000)
6	General Fund--State Appropriation (FY 2003) . . .	\$	(17,499,000)
7	General Fund--Federal Appropriation	\$	(11,469,000)
8	General Fund--Private/Local Appropriation . . .	\$	(683,000)
9	Special Account Retirement Contribution Increase		
10	Revolving Account Appropriation	\$	(25,895,000)
11	TOTAL APPROPRIATION	\$	(72,792,000)

12 The appropriations in this section are provided solely to reduce
13 agency and higher education institutions appropriations to reflect
14 savings resulting from the implementation of employer pension
15 contribution rates, effective July 1, 2001, for the public employees'
16 retirement system, and effective September 1, 2001, for the teachers'
17 retirement system, as provided in Senate Bill No. 6167 or House Bill
18 No. 2236.

19 NEW SECTION. **Sec. 719. SALARY COST OF LIVING ADJUSTMENT**

20	General Fund--State Appropriation (FY 2002) . . .	\$	42,958,000
21	General Fund--State Appropriation (FY 2003) . . .	\$	75,247,000
22	General Fund--Federal Appropriation	\$	38,992,000
23	General Fund--Private/Local Appropriation . . .	\$	2,388,000
24	Salary and Insurance Increase Revolving Account		
25	Appropriation	\$	94,554,000
26	TOTAL APPROPRIATION	\$	254,139,000

27 The appropriations in this section shall be expended solely for the
28 purposes designated in this section and are subject to the following
29 conditions and limitations:

30 (1) In addition to the purposes set forth in subsections (2) and
31 (3) of this section, appropriations in this section are provided solely
32 for a 3.7 percent salary increase effective July 1, 2001, for all
33 classified employees, except the certificated employees of the state
34 schools for the deaf and blind, and including those employees in the
35 Washington management service, and exempt employees under the
36 jurisdiction of the personnel resources board. Funds are also provided

for salary increases for classified employees on July 1, 2002, in a percentage amount to be determined by the 2002 legislature.

(2) The appropriations in this section are sufficient to fund a 3.7 percent salary increase effective July 1, 2001, for general government, legislative, and judicial employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials. Funds are also provided for salary increases for these employees on July 1, 2002, in a percentage amount to be determined by the 2002 legislature.

(3) The salary and insurance increase revolving account appropriation in this section includes funds sufficient to fund a 3.7 percent salary increase effective July 1, 2001, for ferry workers consistent with the 2001-03 transportation appropriations act. Funds are also provided for salary increases for ferry workers on July 1, 2002, in a percentage amount to be determined by the 2002 legislature.

(4)(a) No salary increase may be paid under this section to any person whose salary has been Y-rated pursuant to rules adopted by the personnel resources board.

(b) The average salary increases paid under this section to agency officials whose maximum salaries are established by the committee on agency official salaries shall not exceed the average increases provided by subsection (2) of this section.

**NEW SECTION. Sec. 720. FOR THE OFFICE OF FINANCIAL MANAGEMENT--
EDUCATION TECHNOLOGY REVOLVING ACCOUNT**

General Fund--State Appropriation (FY 2002)	. . . \$	11,264,000
General Fund--State Appropriation (FY 2003)	. . . \$	11,264,000
TOTAL APPROPRIATION	. . . . . \$	22,528,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The appropriations in this section are for appropriation to the education technology revolving account for the purpose of covering operational and transport costs incurred by the K-20 educational network program in providing telecommunication services to network participants.

(2) Use of these moneys to connect public libraries are limited to public libraries which have in place a policy of internet safety applied to publicly available computers with internet access via the K-

1 20 educational network that protects against access to visual
2 depictions that are (a) obscene under chapter 9.68 RCW; or (b) sexual
3 exploitation of children under chapter 9.68A RCW.

4 NEW SECTION. **Sec. 721. FOR THE ATTORNEY GENERAL--SALARY**
5 **ADJUSTMENTS**

6	General Fund--State Appropriation (FY 2002) . . . \$	989,000
7	General Fund--State Appropriation (FY 2003) . . . \$	2,082,000
8	Legal Services Revolving Account--State	
9	Appropriation \$	3,071,000
10	TOTAL APPROPRIATION \$	6,142,000

11 The appropriations in this section are subject to the following
12 conditions and limitations: The appropriations are provided solely for
13 increases in salaries and related benefits of assistant attorneys
14 general effective July 1, 2001, and another increase effective July 1,
15 2002. This funding is provided solely for: (1) Increases in beginning
16 salaries; (2) merit-based increases to recognize outstanding
17 performance; and (3) increases to address critical recruitment and
18 retention problems in specialty practice areas.

19 NEW SECTION. **Sec. 722. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
20 **COMPENSATION ACTIONS OF PERSONNEL RESOURCES BOARD**

21	General Fund--State Appropriation (FY 2002) . . . \$	9,179,000
22	General Fund--State Appropriation (FY 2003) . . . \$	18,359,000
23	General Fund--Federal Appropriation \$	10,392,000
24	Salary and Insurance Increase Revolving Account	
25	Appropriation \$	2,735,000
26	TOTAL APPROPRIATION \$	40,665,000

27 The appropriations in this section shall be expended solely for the
28 purposes designated in this section and are subject to the following
29 conditions and limitations: Funding is provided to implement the
30 salary increase recommendations of the Washington personnel resources
31 board for the priority classes identified through item 8B pursuant to
32 RCW 41.06.152. The salary increases shall be effective January 1,
33 2002.

34 NEW SECTION. **Sec. 723. INCENTIVE SAVINGS--FY 2002.** The sum of
35 one hundred million dollars or so much thereof as may be available on

June 30, 2002, from the total amount of unspent fiscal year 2002 state general fund appropriations is appropriated for the purposes of RCW 43.79.460 in the manner provided in this section.

(1) Of the total appropriated amount, one-half of that portion that is attributable to incentive savings, not to exceed twenty-five million dollars, is appropriated to the savings incentive account for the purpose of improving the quality, efficiency, and effectiveness of agency services, and credited to the agency that generated the savings.

(2) The remainder of the total amount, not to exceed seventy-five million dollars, is appropriated to the education savings account.

(3) For purposes of this section, the total amount of unspent state general fund appropriations does not include the appropriations made in this section or any amounts included in across-the-board allotment reductions under RCW 43.88.110.

NEW SECTION. Sec. 724. INCENTIVE SAVINGS--FY 2003. The sum of one hundred million dollars or so much thereof as may be available on June 30, 2003, from the total amount of unspent fiscal year 2003 state general fund appropriations is appropriated for the purposes of RCW 43.79.460 in the manner provided in this section.

(1) Of the total appropriated amount, one-half of that portion that is attributable to incentive savings, not to exceed twenty-five million dollars, is appropriated to the savings incentive account for the purpose of improving the quality, efficiency, and effectiveness of agency services, and credited to the agency that generated the savings.

(2) The remainder of the total amount, not to exceed seventy-five million dollars, is appropriated to the education savings account.

(3) For purposes of this section, the total amount of unspent state general fund appropriations does not include the appropriations made in this section or any amounts included in across-the-board allotment reductions under RCW 43.88.110.

NEW SECTION. Sec. 725. PUGET SOUND FERRY OPERATIONS ACCOUNT

State Surplus Assets Reserve Fund--State

Appropriation	\$	30,000,000
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The appropriation in this section is subject to the following conditions and limitations: The appropriations in this section are for

1 appropriation to the Puget Sound ferry operations account to carry out
2 the purposes of the account.

3 NEW SECTION. **Sec. 726. LOCAL GOVERNMENT FINANCIAL ASSISTANCE**

4 (1) It is the intent of the legislature to provide state funding
5 for the 2001-03 biennium for a portion of local governments' costs for
6 public safety, criminal justice, public health, and other operations.

7 (2) Moneys appropriated in sections 727, 728, and 729 of this act
8 constitute a transfer to the state of local government costs under RCW
9 43.135.060(2).

10 NEW SECTION. **Sec. 727. FOR THE DEPARTMENT OF COMMUNITY, TRADE,**
11 **AND ECONOMIC DEVELOPMENT--COUNTY CORPORATION ASSISTANCE**

12	General Fund--State Appropriation (FY 2002) . . . \$	24,410,534
13	General Fund--State Appropriation (FY 2003) . . . \$	25,137,970
14	TOTAL APPROPRIATION \$	49,548,504

15 The appropriations in this section are subject to the following
16 conditions and limitations:

17 (1)(a) The department shall withhold distributions under subsection
18 (2) of this section to any county that has not paid its fifty percent
19 share of the employer contribution on behalf of superior court judges
20 for insurance and health care plans and federal social security and
21 medicare and medical aid benefits for the fiscal year. As required by
22 Article IV, section 13 of the state Constitution and 1996 Attorney
23 General's Opinion No. 2, it is the intent of the legislature that the
24 costs of these employer contributions shall be shared equally between
25 the state and county or counties in which the judges serve.

26 (b) After receiving written notification from the office of the
27 administrator for the courts that a county has paid its fifty percent
28 share as required under (a) of this subsection, the department shall
29 distribute the amount designated for the fiscal year under subsection
30 (2) of this section.

31 (2) The director of community, trade, and economic development
32 shall distribute the appropriations to the following counties in the
33 amounts designated:

34			2001-03
35	County	FY 2002	FY 2003
36	Adams	290,303	295,993
37	Asotin	422,074	434,598
38	Benton	966,480	999,163
			Biennium
			586,296
			856,672
			1,965,643

1	Chelan	637,688	651,982	1,289,670
2	Clallam	444,419	454,391	898,810
3	Clark	641,571	678,997	1,320,568
4	Columbia	561,888	572,901	1,134,789
5	Cowlitz	771,879	795,808	1,567,687
6	Douglas	505,585	528,184	1,033,769
7	Ferry	389,909	397,551	787,460
8	Franklin	442,624	464,018	906,642
9	Garfield	571,303	582,501	1,153,804
10	Grant	579,631	604,072	1,183,703
11	Grays Harbor	540,315	550,905	1,091,220
12	Island	483,589	503,205	986,794
13	Jefferson	239,914	249,924	489,838
14	King	2,661,862	2,720,716	5,382,578
15	Kitsap	469,992	480,178	950,170
16	Kittitas	366,971	383,027	749,998
17	Klickitat	204,726	217,555	422,281
18	Lewis	583,702	598,004	1,181,706
19	Lincoln	290,754	302,151	592,905
20	Mason	905,060	930,959	1,836,019
21	Okanogan	548,848	560,332	1,109,180
22	Pacific	344,047	350,790	694,837
23	Pend Oreille	280,342	285,837	566,179
24	Pierce	1,246,530	1,284,087	2,530,617
25	San Juan	85,712	91,859	177,571
26	Skagit	911,491	944,914	1,856,405
27	Skamania	172,840	176,228	349,068
28	Snohomish	1,017,209	1,058,571	2,075,780
29	Spokane	804,124	823,359	1,627,483
30	Stevens	811,482	835,598	1,647,080
31	Thurston	1,031,888	1,061,579	2,093,467
32	Wahkiakum	507,528	517,476	1,025,004
33	Walla Walla	241,341	247,105	488,446
34	Whatcom	408,025	429,069	837,094
35	Whitman	134,870	138,191	273,061
36	Yakima	1,892,018	1,936,192	3,828,210
37	TOTAL APPROPRIATIONS	24,410,534	25,137,970	49,548,504

38 NEW SECTION. **Sec. 728. FOR THE DEPARTMENT OF COMMUNITY, TRADE,**
39 **AND ECONOMIC DEVELOPMENT--MUNICIPAL CORPORATION ASSISTANCE**

40	General Fund--State Appropriation (FY 2002) . . . \$	45,884,610
41	General Fund--State Appropriation (FY 2003) . . . \$	47,251,839
42	TOTAL APPROPRIATION \$	93,136,449

43 The appropriations in this section are subject to the following
44 conditions and limitations:

45 (1) The director of community, trade, and economic development
46 shall distribute the appropriation to the following cities and
47 municipalities in the amounts designated:

48			2001-03
49	City	FY 2002	FY 2003
			Biennium

1	Aberdeen	119,986	123,562	243,548
2	Airway Heights	111,259	114,575	225,834
3	Albion	66,339	68,316	134,655
4	Algona	32,672	33,646	66,318
5	Almira	12,519	12,892	25,411
6	Anacortes	70,930	73,044	143,974
7	Arlington	42,344	43,606	85,950
8	Asotin	57,623	59,340	116,963
9	Auburn	192,405	198,139	390,544
10	Bainbridge Island	293,851	302,608	596,459
11	Battle Ground	118,303	121,828	240,131
12	Beaux Arts	1,784	1,837	3,621
13	Bellevue	524,203	539,824	1,064,027
14	Bellingham	369,121	380,121	749,242
15	Benton City	111,380	114,699	226,079
16	Bingen	6,602	6,799	13,401
17	Black Diamond	254,698	262,288	516,986
18	Blaine	20,853	21,474	42,327
19	Bonney Lake	158,738	163,468	322,206
20	Bothell	137,270	141,361	278,631
21	Bremerton	214,020	220,398	434,418
22	Brewster	11,250	11,585	22,835
23	Bridgeport	188,216	193,825	382,041
24	Brier	532,011	547,865	1,079,876
25	Buckley	68,227	70,260	138,487
26	Bucoda	52,876	54,452	107,328
27	Burien	284,265	292,736	577,001
28	Burlington	27,407	28,224	55,631
29	Camas	53,654	55,253	108,907
30	Carbonado	56,785	58,477	115,262
31	Carnation	9,593	9,879	19,472
32	Cashmere	120,801	124,401	245,202
33	Castle Rock	29,980	30,873	60,853
34	Cathlamet	6,265	6,452	12,717
35	Centralia	101,426	104,448	205,874
36	Chehalis	34,601	35,632	70,233
37	Chelan	19,515	20,097	39,612
38	Cheney	314,316	323,683	637,999
39	Chewelah	66,731	68,720	135,451
40	Clarkston	83,910	86,411	170,321
41	Cle Elum	8,692	8,951	17,643
42	Clyde Hill	136,778	140,854	277,632
43	Colfax	74,672	76,897	151,569
44	College Place	526,480	542,169	1,068,649
45	Colton	27,473	28,292	55,765
46	Colville	23,389	24,086	47,475
47	Conconully	13,675	14,083	27,758
48	Concrete	27,006	27,811	54,817
49	Connell	164,950	169,866	334,816
50	Cosmopolis	15,395	15,854	31,249
51	Coulee City	2,804	2,888	5,692
52	Coulee Dam	61,408	63,238	124,646
53	Coupeville	7,708	7,938	15,646
54	Covington	690,851	711,438	1,402,289
55	Creston	12,905	13,290	26,195
56	Cusick	9,341	9,619	18,960
57	Darrington	59,838	61,621	121,459
58	Davenport	66,350	68,327	134,677
59	Dayton	92,685	95,447	188,132

1	Deer Park	16,059	16,538	32,597
2	Des Moines	1,482,120	1,526,287	3,008,407
3	Dupont	8,109	8,351	16,460
4	Duvall	66,128	68,099	134,227
5	East Wenatchee	30,678	31,592	62,270
6	Eatonville	8,848	9,112	17,960
7	Edgewood	901,766	928,639	1,830,405
8	Edmonds	456,336	469,935	926,271
9	Electric City	87,243	89,843	177,086
10	Ellensburg	81,982	84,425	166,407
11	Elma	84,676	87,199	171,875
12	Elmer City	29,811	30,699	60,510
13	Endicott	28,758	29,615	58,373
14	Entiat	58,244	59,980	118,224
15	Enumclaw	53,013	54,593	107,606
16	Ephrata	59,987	61,775	121,762
17	Everett	495,428	510,192	1,005,620
18	Everson	67,517	69,529	137,046
19	Fairfield	18,540	19,092	37,632
20	Farmington	12,072	12,432	24,504
21	Federal Way	470,179	484,190	954,369
22	Ferndale	74,669	76,894	151,563
23	Fife	25,411	26,168	51,579
24	Fircrest	386,146	397,653	783,799
25	Forks	110,712	114,011	224,723
26	Friday Harbor	9,791	10,083	19,874
27	Garfield	45,263	46,612	91,875
28	George	19,319	19,895	39,214
29	Gig Harbor	31,615	32,557	64,172
30	Gold Bar	134,531	138,540	273,071
31	Goldendale	49,519	50,995	100,514
32	Grand Coulee	5,805	5,978	11,783
33	Grandview	256,347	263,986	520,333
34	Granger	173,094	178,252	351,346
35	Granite Falls	10,946	11,272	22,218
36	Hamilton	17,437	17,957	35,394
37	Harrah	46,947	48,346	95,293
38	Harrington	18,107	18,647	36,754
39	Hartline	11,392	11,731	23,123
40	Hatton	12,176	12,539	24,715
41	Hoquiam	374,903	386,075	760,978
42	Hunts Point	2,432	2,504	4,936
43	Ilwaco	13,150	13,542	26,692
44	Index	4,181	4,306	8,487
45	Ione	17,566	18,089	35,655
46	Issaquah	50,002	51,492	101,494
47	Kahlotus	20,210	20,812	41,022
48	Kalama	7,892	8,127	16,019
49	Kelso	68,904	70,957	139,861
50	Kenmore	1,099,395	1,132,157	2,231,552
51	Kennewick	293,534	302,281	595,815
52	Kent	360,624	371,371	731,995
53	Kettle Falls	64,422	66,342	130,764
54	Kirkland	221,429	228,028	449,457
55	Kittitas	72,698	74,864	147,562
56	Krupp	4,445	4,577	9,022
57	La Center	34,415	35,441	69,856
58	La Conner	3,817	3,931	7,748
59	La Crosse	20,141	20,741	40,882

1	Lacey	143,243	147,512	290,755
2	Lake Forest Park	897,932	924,690	1,822,622
3	Lake Stevens	142,295	146,535	288,830
4	Lakewood	2,955,109	3,043,171	5,998,280
5	Lamont	7,492	7,715	15,207
6	Langley	5,303	5,461	10,764
7	Latah	11,962	12,318	24,280
8	Leavenworth	12,189	12,552	24,741
9	Lind	2,217	2,283	4,500
10	Long Beach	10,269	10,575	20,844
11	Longview	249,836	257,281	507,117
12	Lyman	16,741	17,240	33,981
13	Lynden	42,717	43,990	86,707
14	Lynnwood	163,579	168,454	332,033
15	Mabton	142,491	146,737	289,228
16	Malden	21,588	22,231	43,819
17	Mansfield	26,744	27,541	54,285
18	Maple Valley	359,478	370,190	729,668
19	Marcus	14,126	14,547	28,673
20	Marysville	102,028	105,068	207,096
21	Mattawa	100,064	103,046	203,110
22	McCleary	105,807	108,960	214,767
23	Medical Lake	114,323	117,730	232,053
24	Medina	14,355	14,783	29,138
25	Mercer Island	383,527	394,956	778,483
26	Mesa	16,835	17,337	34,172
27	Metaline	14,150	14,572	28,722
28	Metaline Falls	7,718	7,948	15,666
29	Mill Creek	174,495	179,695	354,190
30	Millwood	22,619	23,293	45,912
31	Milton	28,030	28,865	56,895
32	Monroe	56,517	58,201	114,718
33	Montesano	60,229	62,024	122,253
34	Morton	5,891	6,067	11,958
35	Moses Lake	105,670	108,819	214,489
36	Mossyrock	16,545	17,038	33,583
37	Mount Vernon	130,780	134,677	265,457
38	Mountlake Terrace	711,188	732,381	1,443,569
39	Moxee	40,448	41,653	82,101
40	Mukilteo	274,482	282,662	557,144
41	Naches	7,632	7,859	15,491
42	Napavine	96,030	98,892	194,922
43	Nespelem	17,614	18,139	35,753
44	Newcastle	290,801	299,467	590,268
45	Newport	13,223	13,617	26,840
46	Nooksack	58,178	59,912	118,090
47	Normandy Park	489,113	503,689	992,802
48	North Bend	20,754	21,372	42,126
49	North Bonneville	30,574	31,485	62,059
50	Northport	23,489	24,189	47,678
51	Oak Harbor	278,157	286,446	564,603
52	Oakesdale	31,060	31,986	63,046
53	Oakville	43,411	44,705	88,116
54	Ocean Shores	64,837	66,769	131,606
55	Odessa	4,721	4,862	9,583
56	Okanogan	12,323	12,690	25,013
57	Olympia	198,476	204,391	402,867
58	Omak	26,117	26,895	53,012
59	Oroville	12,506	12,879	25,385

1	Orting	191,211	196,909	388,120
2	Othello	26,808	27,607	54,415
3	Pacific	69,124	71,184	140,308
4	Palouse	55,067	56,708	111,775
5	Pasco	131,298	135,211	266,509
6	Pateros	28,021	28,856	56,877
7	Pe Ell	54,800	56,433	111,233
8	Pomeroy	52,485	54,049	106,534
9	Port Angeles	124,595	128,308	252,903
10	Port Orchard	41,797	43,043	84,840
11	Port Townsend	47,126	48,530	95,656
12	Poulsbo	31,812	32,760	64,572
13	Prescott	12,349	12,717	25,066
14	Prosser	24,137	24,856	48,993
15	Pullman	584,659	602,082	1,186,741
16	Puyallup	151,732	156,254	307,986
17	Quincy	20,244	20,847	41,091
18	Rainier	111,521	114,844	226,365
19	Raymond	85,311	87,853	173,164
20	Reardan	38,184	39,322	77,506
21	Redmond	215,259	221,674	436,933
22	Renton	235,053	242,058	477,111
23	Republic	25,085	25,833	50,918
24	Richland	441,733	454,897	896,630
25	Ridgefield	55,637	57,295	112,932
26	Ritzville	8,498	8,751	17,249
27	Riverside	27,204	28,015	55,219
28	Rock Island	36,527	37,616	74,143
29	Rockford	18,965	19,530	38,495
30	Rosalia	36,719	37,813	74,532
31	Roslyn	64,571	66,495	131,066
32	Roy	1,709	1,760	3,469
33	Royal City	66,657	68,643	135,300
34	Ruston	50,309	51,808	102,117
35	Sammamish	2,361,433	2,431,804	4,793,237
36	Seatac	132,183	136,122	268,305
37	Seattle	3,189,346	3,284,389	6,473,735
38	Sedro-Woolley	54,896	56,532	111,428
39	Selah	80,704	83,109	163,813
40	Sequim	21,867	22,519	44,386
41	Shelton	58,160	59,893	118,053
42	Shoreline	1,485,138	1,529,395	3,014,533
43	Skykomish	1,417	1,459	2,876
44	Snohomish	40,722	41,936	82,658
45	Snoqualmie	9,587	9,873	19,460
46	Soap Lake	102,783	105,846	208,629
47	South Bend	75,826	78,086	153,912
48	South Cle Elum	46,847	48,243	95,090
49	South Prairie	18,788	19,348	38,136
50	Spangle	1,397	1,439	2,836
51	Spokane	1,116,419	1,149,688	2,266,107
52	Sprague	22,930	23,613	46,543
53	Springdale	11,080	11,410	22,490
54	St. John	4,245	4,372	8,617
55	Stanwood	21,141	21,771	42,912
56	Starbuck	8,949	9,216	18,165
57	Steilacoom	285,807	294,324	580,131
58	Stevenson	11,673	12,021	23,694
59	Sultan	63,199	65,082	128,281

1	Sumas	7,885	8,120	16,005
2	Sumner	41,931	43,181	85,112
3	Sunnyside	70,805	72,915	143,720
4	Tacoma	1,384,646	1,425,908	2,810,554
5	Tekoa	49,373	50,844	100,217
6	Tenino	68,820	70,871	139,691
7	Tieton	74,506	76,726	151,232
8	Toledo	8,084	8,325	16,409
9	Tonasket	5,500	5,664	11,164
10	Toppenish	443,488	456,704	900,192
11	Tukwila	75,320	77,565	152,885
12	Tumwater	61,848	63,691	125,539
13	Twisp	4,793	4,936	9,729
14	Union Gap	27,129	27,937	55,066
15	Uniontown	19,805	20,395	40,200
16	University Place	1,889,912	1,946,231	3,836,143
17	Vader	40,643	41,854	82,497
18	Vancouver	1,177,584	1,212,676	2,390,260
19	Waitsburg	81,097	83,514	164,611
20	Walla Walla	318,679	328,176	646,855
21	Wapato	230,783	237,660	468,443
22	Warden	105,612	108,759	214,371
23	Washougal	177,022	182,297	359,319
24	Washtucna	20,654	21,269	41,923
25	Waterville	72,880	75,052	147,932
26	Waverly	10,256	10,562	20,818
27	Wenatchee	147,602	152,001	299,603
28	West Richland	489,752	504,347	994,099
29	Westport	13,715	14,124	27,839
30	White Salmon	53,746	55,348	109,094
31	Wilbur	23,614	24,318	47,932
32	Wilkeson	18,762	19,321	38,083
33	Wilson Creek	18,403	18,951	37,354
34	Winlock	35,212	36,261	71,473
35	Winthrop	1,756	1,808	3,564
36	Woodinville	56,052	57,722	113,774
37	Woodland	17,960	18,495	36,455
38	Woodway	12,513	12,886	25,399
39	Yacolt	36,636	37,728	74,364
40	Yakima	487,766	502,301	990,067
41	Yarrow Point	32,121	33,078	65,199
42	Yelm	15,677	16,144	31,821
43	Zillah	100,818	103,822	204,640
44	TOTAL APPROPRIATIONS	45,545,942	46,903,217	92,449,159

45 (2) \$338,668 for fiscal year 2002 and \$348,622 for fiscal year 2003
46 from this appropriation are provided solely to address the
47 contingencies listed in this subsection. The department shall
48 distribute the moneys no later than March 31, 2002, and March 31, 2003,
49 for the respective appropriations. Moneys shall be distributed for the
50 following purposes, ranked in order of priority:

51 (a) To correct for data errors in the determination of
52 distributions in subsection (1) of this section;

(b) To distribute to newly qualifying jurisdictions as if the jurisdiction had been in existence prior to November 1999;

(c) To allocate under emergency situations as determined by the director of the department of community, trade, and economic development in consultation with the association of Washington cities; and

(d) After April 1st of each year in the fiscal biennium ending June 30, 2003, any moneys remaining from the amounts provided in this subsection shall be prorated and distributed to cities and towns on the basis of the amounts distributed for emergency considerations in November 2000 as provided in section 729, chapter 1, Laws of 2000, 2nd sp. sess.

NEW SECTION. Sec. 729. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT--COUNTY PUBLIC HEALTH ASSISTANCE

Health Services Account--State Appropriation . \$ 48,270,802

The appropriation in this section is subject to the following conditions and limitations: The director of the department of community, trade, and economic development shall distribute the appropriations to the following counties and health districts in the amounts designated:

			2001-03
	FY 2002	FY 2003	Biennium
Health District			
Adams County Health District	30,824	31,428	62,252
Asotin County Health District	65,375	70,818	136,193
Benton-Franklin Health District	1,147,987	1,196,390	2,344,377
Chelan-Douglas Health District	176,979	194,628	371,607
Clallam County Health and Human Services Department	140,557	144,547	285,104
Southwest Washington Health District	1,067,962	1,113,221	2,181,183
Columbia County Health District	40,362	41,153	81,515
Cowlitz County Health Department	273,147	287,116	560,263
Garfield County Health District	14,966	15,259	30,225
Grant County Health District	111,767	126,762	238,529
Grays Harbor Health Department	183,113	186,702	369,815
Island County Health Department	86,600	98,221	184,821
Jefferson County Health and Human Services	82,856	89,676	172,532
Seattle-King County Department of Public Health	9,489,273	9,681,772	19,171,045
Bremerton-Kitsap County Health District	551,913	563,683	1,115,596
Kittitas County Health Department	87,822	98,219	186,041
Klickitat County Health Department	57,872	67,636	125,508
Lewis County Health Department	103,978	108,817	212,795
Lincoln County Health Department	26,821	32,924	59,745
Mason County Department of Health Services	91,638	101,422	193,060
Okanogan County Health District	62,844	64,788	127,632
Pacific County Health Department	77,108	78,619	155,727
Tacoma-Pierce County Health Department	2,802,613	2,870,392	5,673,005

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

NEW SECTION. **Sec. 801. FOR THE STATE TREASURER--STATE REVENUES
FOR DISTRIBUTION**

General Fund Appropriation for fire insurance		
premium distributions	\$	6,528,600
General Fund Appropriation for public utility		
district excise tax distributions	\$	36,427,306
General Fund Appropriation for prosecuting		
attorney distributions	\$	3,090,000
General Fund Appropriation for boating safety/ education and law enforcement		
distributions	\$	3,780,000
General Fund Appropriation for other tax		
distributions	\$	39,566
Death Investigations Account Appropriation for		
distribution to counties for publicly		
funded autopsies	\$	1,621,537
Aquatic Lands Enhancement Account Appropriation		
for harbor improvement revenue		
distribution	\$	147,500
Timber Tax Distribution Account Appropriation for		
distribution to "timber" counties	\$	68,562,000
County Criminal Justice Assistance		
Appropriation	\$	49,835,213
Municipal Criminal Justice Assistance		
Appropriation	\$	19,988,097
Liquor Excise Tax Account Appropriation for		
liquor excise tax distribution	\$	28,659,331
Liquor Revolving Account Appropriation for		
liquor profits distribution	\$	55,344,817
TOTAL APPROPRIATION	\$	274,023,967

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

NEW SECTION. **Sec. 802. FOR THE STATE TREASURER--FOR THE COUNTY**
CRIMINAL JUSTICE ASSISTANCE ACCOUNT

Impaired Driving Safety Account Appropriation . \$ 1,843,260

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2001-03 biennium in accordance with RCW 82.14.310. This funding is provided to counties for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

NEW SECTION. **Sec. 803. FOR THE STATE TREASURER--FOR THE MUNICIPAL**
CRIMINAL JUSTICE ASSISTANCE ACCOUNT

Impaired Driving Safety Account Appropriation . \$ 1,228,840

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2001-03 biennium to all cities ratably based on population as last determined by the office of financial management. The distributions to any city that substantially decriminalizes or repeals its criminal code after July 1, 1990, and that does not reimburse the county for costs associated with criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in which the city is located. This funding is provided to cities for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

**NEW SECTION. Sec. 804. FOR THE STATE TREASURER--FEDERAL REVENUES
FOR DISTRIBUTION**

General Fund Appropriation for federal grazing		
fees distribution	\$	2,050,334
General Fund Appropriation for federal flood		
control funds distribution	\$	26,524
Forest Reserve Fund Appropriation for federal		
forest reserve fund distribution	\$	47,689,181
TOTAL APPROPRIATION	\$	49,766,039

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

NEW SECTION. Sec. 805. FOR THE STATE TREASURER--TRANSFERS

Public Facilities Construction Loan and		
Grant Revolving Account: For transfer		
to the digital government revolving account		
on or before December 31, 2001	\$	1,418,456
Financial Services Regulation Fund: To be		
transferred from the financial services		
regulation fund to the digital government		
revolving account during the period		
between July 1, 2001, and December 31,		
2001	\$	2,000,000
Local Toxics Control Account: For transfer		
to the state toxics control account.		
Transferred funds will be utilized		
for methamphetamine lab cleanup, to		
address areawide soil contamination		
problems, and clean up contaminated		
sites as part of the clean sites		
initiative	\$	6,000,000
State Toxics Control Account: For transfer		
to the water quality account for water		
quality related projects funded in the		
capital budget	\$	9,000,000
General Fund: For transfer to the flood		
control assistance account	\$	4,000,000

1	Water Quality Account: For transfer to the		
2	water pollution control account. Transfers		
3	shall be made at intervals coinciding with		
4	deposits of federal capitalization grant		
5	money into the account. The amounts		
6	transferred shall not exceed the match		
7	required for each federal deposit	\$	12,564,487
8	State Treasurer's Service Account: For		
9	transfer to the general fund on or		
10	before June 30, 2003, an amount in excess		
11	of the cash requirements of the state		
12	treasurer's service account	\$	8,000,000
13	Public Works Assistance Account: For		
14	transfer to the drinking water		
15	assistance account	\$	7,700,000
16	Tobacco Settlement Account: For transfer		
17	to the health services account, in an		
18	amount not to exceed the actual balance		
19	of the tobacco settlement account	\$	310,000,000
20	General Fund: For transfer to the water quality		
21	account	\$	60,325,000
22	Health Services Account: For		
23	transfer to the state general fund		
24	by June 30, 2002. Pursuant to RCW		
25	43.135.035(5), the state expenditure		
26	limit shall be increased in fiscal		
27	year 2002 to reflect this transfer	\$	130,000,000
28	Health Services Account: For		
29	transfer to the state general fund		
30	by June 30, 2003. Pursuant to RCW		
31	43.135.035(5), the state expenditure		
32	limit shall be increased in fiscal		
33	year 2003 to reflect this transfer	\$	20,000,000
34	State Surplus Assets Reserve Fund: For		
35	transfer to the multimodal transportation		
36	account by June 30, 2002	\$	70,000,000
37	Multimodal Transportation Account: For		
38	transfer to the state general fund		
39	by June 30, 2002	\$	70,000,000

1 NEW SECTION. Sec. 806. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--

2 TRANSFERS

3	General Fund--State Appropriation: For	
4	transfer to the department of retirement	
5	systems expense account: For the	
6	administrative expenses of the judicial	
7	retirement system	\$ 26,605

8 (End of part)

PART IX
MISCELLANEOUS

NEW SECTION. **Sec. 901. EXPENDITURE AUTHORIZATIONS.** The appropriations contained in this act are maximum expenditure authorizations. Pursuant to RCW 43.88.037, moneys disbursed from the treasury on the basis of a formal loan agreement shall be recorded as loans receivable and not as expenditures for accounting purposes. To the extent that moneys are disbursed on a loan basis, the corresponding appropriation shall be reduced by the amount of loan moneys disbursed from the treasury during the 1999-01 biennium.

NEW SECTION. **Sec. 902. INFORMATION SYSTEMS PROJECTS.** Agencies shall comply with the following requirements regarding information systems projects when specifically directed to do so by this act.

 (1) Agency planning and decisions concerning information technology shall be made in the context of its information technology portfolio. "Information technology portfolio" means a strategic management approach in which the relationships between agency missions and information technology investments can be seen and understood, such that: Technology efforts are linked to agency objectives and business plans; the impact of new investments on existing infrastructure and business functions are assessed and understood before implementation; and agency activities are consistent with the development of an integrated, nonduplicative statewide infrastructure.

 (2) Agencies shall use their information technology portfolios in making decisions on matters related to the following:

- (a) System refurbishment, acquisitions, and development efforts;
- (b) Setting goals and objectives for using information technology in meeting legislatively-mandated missions and business needs;
- (c) Assessment of overall information processing performance, resources, and capabilities;
- (d) Ensuring appropriate transfer of technological expertise for the operation of any new systems developed using external resources; and
- (e) Progress toward enabling electronic access to public information.

1 (3) Each project will be planned and designed to take optimal
2 advantage of Internet technologies and protocols. Agencies shall
3 ensure that the project is in compliance with the architecture,
4 infrastructure, principles, policies, and standards of digital
5 government as maintained by the information services board.

6 (4) The agency shall produce a feasibility study for information
7 technology projects at the direction of the information services board
8 and in accordance with published department of information services
9 policies and guidelines. At a minimum, such studies shall include a
10 statement of: (a) The purpose or impetus for change; (b) the business
11 value to the agency, including an examination and evaluation of
12 benefits, advantages, and cost; (c) a comprehensive risk assessment
13 based on the proposed project's impact on both citizens and state
14 operations, its visibility, and the consequences of doing nothing; (d)
15 the impact on agency and statewide information infrastructure; and (e)
16 the impact of the proposed enhancements to an agency's information
17 technology capabilities on meeting service delivery demands.

18 (5) The agency shall produce a comprehensive management plan for
19 each project. The plan or plans shall address all factors critical to
20 successful completion of each project. The plan(s) shall include, but
21 is not limited to, the following elements: A description of the
22 problem or opportunity that the information technology project is
23 intended to address; a statement of project objectives and assumptions;
24 a definition and schedule of phases, tasks, and activities to be
25 accomplished; and the estimated cost of each phase. The planning for
26 the phased approach shall be such that the business case justification
27 for a project needs to demonstrate how the project recovers cost or
28 adds measurable value or positive cost benefit to the agency's business
29 functions within each development cycle.

30 (6) The agency shall produce quality assurance plans for
31 information technology projects. Consistent with the direction of the
32 information services board and the published policies and guidelines of
33 the department of information services, the quality assurance plan
34 shall address all factors critical to successful completion of the
35 project and successful integration with the agency and state
36 information technology infrastructure. At a minimum, quality assurance
37 plans shall provide time and budget benchmarks against which project
38 progress can be measured, a specification of quality assurance
39 responsibilities, and a statement of reporting requirements. The

1 quality assurance plans shall set out the functionality requirements
2 for each phase of a project.

3 (7) A copy of each feasibility study, project management plan, and
4 quality assurance plan shall be provided to the department of
5 information services, the office of financial management, and
6 legislative fiscal committees. The plans and studies shall demonstrate
7 a sound business case that justifies the investment of taxpayer funds
8 on any new project, an assessment of the impact of the proposed system
9 on the existing information technology infrastructure, the disciplined
10 use of preventative measures to mitigate risk, and the leveraging of
11 private-sector expertise as needed. Authority to expend any funds for
12 individual information systems projects is conditioned on the approval
13 of the relevant feasibility study, project management plan, and quality
14 assurance plan by the department of information services and the office
15 of financial management.

16 (8) Quality assurance status reports shall be submitted to the
17 department of information services, the office of financial management,
18 and legislative fiscal committees at intervals specified in the
19 project's quality assurance plan.

20 NEW SECTION. **Sec. 903. VIDEO TELECOMMUNICATIONS.** The department
21 of information services shall act as lead agency in coordinating video
22 telecommunications services for state agencies. As lead agency, the
23 department shall develop standards and common specifications for leased
24 and purchased telecommunications equipment and assist state agencies in
25 developing a video telecommunications expenditure plan. No agency may
26 spend any portion of any appropriation in this act for new video
27 telecommunication equipment, new video telecommunication transmission,
28 or new video telecommunication programming, or for expanding current
29 video telecommunication systems without first complying with chapter
30 43.105 RCW, including but not limited to, RCW 43.105.041(2), and
31 without first submitting a video telecommunications expenditure plan,
32 in accordance with the policies of the department of information
33 services, for review and assessment by the department of information
34 services under RCW 43.105.052. Prior to any such expenditure by a
35 public school, a video telecommunications expenditure plan shall be
36 approved by the superintendent of public instruction. The office of
37 the superintendent of public instruction shall submit the plans to the
38 department of information services in a form prescribed by the

1 department. The office of the superintendent of public instruction
2 shall coordinate the use of video telecommunications in public schools
3 by providing educational information to local school districts and
4 shall assist local school districts and educational service districts
5 in telecommunications planning and curriculum development. Prior to
6 any such expenditure by a public institution of postsecondary
7 education, a telecommunications expenditure plan shall be approved by
8 the higher education coordinating board. The higher education
9 coordinating board shall coordinate the use of video telecommunications
10 for instruction and instructional support in postsecondary education,
11 including the review and approval of instructional telecommunications
12 course offerings.

13 NEW SECTION. **Sec. 904. PROGRAM COST SHIFTS.** Any program costs or
14 moneys in this act that are shifted to the general fund from another
15 fund or account require an adjustment to the expenditure limit under
16 RCW 43.135.035(5).

17 NEW SECTION. **Sec. 905. RECONCILIATION OF TREASURER TRANSFERS.**
18 (1) To reflect the fact that Initiative 728 (chapter 3, Laws of 2001)
19 took effect January 1, 2001, after transfers are made based on prior
20 fiscal year calculations, any balance in the emergency reserve fund in
21 excess of five percent of annual general fund--state revenues for
22 fiscal year 2001 shall be deposited as follows: Pursuant to section
23 3(3), chapter 2, Laws of 2000 2nd sp. sess., 50 percent to the
24 education construction fund; and pursuant to section 9(3), chapter 3,
25 Laws of 2001, 37.5 percent to the student achievement fund and 12.5
26 percent to the general fund.

27 (2) After the close of the fiscal year, to reconcile these
28 accounts, the treasurer shall make transfers between accounts as
29 necessary to ensure that the amounts deposited are consistent with
30 these percentages and reflect the revised expenditure limit, actual
31 revenues as reported by the economic and revenue forecast council, and
32 the balance in the emergency reserve fund after the close of the fiscal
33 year.

34 NEW SECTION. **Sec. 906. EMERGENCY FUND ALLOCATIONS.** Whenever
35 allocations are made from the governor's emergency fund appropriation
36 to an agency that is financed in whole or in part by other than general

1 fund moneys, the director of financial management may direct the
2 repayment of such allocated amount to the general fund from any balance
3 in the fund or funds which finance the agency. No appropriation shall
4 be necessary to effect such repayment.

5 NEW SECTION. **Sec. 907. STATUTORY APPROPRIATIONS.** In addition to
6 the amounts appropriated in this act for revenues for distribution,
7 state contributions to the law enforcement officers' and fire fighters'
8 retirement system plan 2, and bond retirement and interest including
9 ongoing bond registration and transfer charges, transfers, interest on
10 registered warrants, and certificates of indebtedness, there is also
11 appropriated such further amounts as may be required or available for
12 these purposes under any statutory formula or under chapters 39.94 and
13 39.96 RCW or any proper bond covenant made under law.

14 NEW SECTION. **Sec. 908. BOND EXPENSES.** In addition to such other
15 appropriations as are made by this act, there is hereby appropriated to
16 the state finance committee from legally available bond proceeds in the
17 applicable construction or building funds and accounts such amounts as
18 are necessary to pay the expenses incurred in the issuance and sale of
19 the subject bonds.

20 NEW SECTION. **Sec. 909. VOLUNTARY SEPARATION INCENTIVES.** As a
21 management tool to reduce costs and make more effective use of
22 resources, while improving employee productivity and morale, agencies
23 may offer voluntary separation and/or downshifting incentives and
24 options according to procedures and guidelines established by the
25 department of personnel and the department of retirement systems in
26 consultation with the office of financial management. The options may
27 include, but are not limited to, financial incentives for: Voluntary
28 resignation and retirement, voluntary leave-without-pay, voluntary
29 workweek or work hour reduction, voluntary downward movement, or
30 temporary separation for development purposes. No employee shall have
31 a contractual right to a financial incentive offered pursuant to this
32 section.

33 Agencies shall report on the outcomes of their plans, and offers
34 shall be reviewed and monitored jointly by the department of personnel
35 and the department of retirement systems, for reporting to the office
36 of financial management by December 1, 2002.

1 NEW SECTION. **Sec. 910. VOLUNTARY RETIREMENT INCENTIVES.** It is
2 the intent of the legislature that agencies may implement a voluntary
3 retirement incentive program that is cost neutral or results in cost
4 savings provided that such a program is approved by the director of
5 retirement systems and the office of financial management. Agencies
6 participating in this authorization are required to submit a report by
7 June 30, 2003, to the legislature and the office of financial
8 management on the outcome of their approved retirement incentive
9 program. The report should include information on the details of the
10 program including resulting service delivery changes, agency
11 efficiencies, the cost of the retirement incentive per participant, the
12 total cost to the state, and the projected or actual net dollar savings
13 over the 2001-03 biennium.

14 **Sec. 911.** RCW 43.320.110 and 2001 c 177 s 2 are each amended to
15 read as follows:

16 There is created a local fund known as the "financial services
17 regulation fund" which shall consist of all moneys received by the
18 divisions of the department of financial institutions, except for the
19 division of securities which shall deposit thirteen percent of all
20 moneys received, and which shall be used for the purchase of supplies
21 and necessary equipment; the payment of salaries, wages, and utilities;
22 the establishment of reserves; and other incidental costs required for
23 the proper regulation of individuals and entities subject to regulation
24 by the department. The state treasurer shall be the custodian of the
25 fund. Disbursements from the fund shall be on authorization of the
26 director of financial institutions or the director's designee. In
27 order to maintain an effective expenditure and revenue control, the
28 fund shall be subject in all respects to chapter 43.88 RCW, but no
29 appropriation is required to permit expenditures and payment of
30 obligations from the fund.

31 Between July 1, 2001, and December 31, 2001, the legislature may
32 transfer up to two million dollars from the financial services
33 regulation fund to the state general fund.

34 **Sec. 912.** RCW 76.12.110 and 2000 2nd sp.s. c 1 s 915 are each
35 amended to read as follows:

36 There is created a forest development account in the state
37 treasury. The state treasurer shall keep an account of all sums

1 deposited therein and expended or withdrawn therefrom. Any sums placed
2 in the account shall be pledged for the purpose of paying interest and
3 principal on the bonds issued by the department, and for the purchase
4 of land for growing timber. Any bonds issued shall constitute a first
5 and prior claim and lien against the account for the payment of
6 principal and interest. No sums for the above purposes shall be
7 withdrawn or paid out of the account except upon approval of the
8 department.

9 Appropriations may be made by the legislature from the forest
10 development account to the department for the purpose of carrying on
11 the activities of the department on state forest lands, lands managed
12 on a sustained yield basis as provided for in RCW 79.68.040, and for
13 reimbursement of expenditures that have been made or may be made from
14 the resource management cost account in the management of state forest
15 lands. For the ((1999-2001)) 2001-2003 fiscal biennium, moneys from
16 the account shall be distributed as directed in the omnibus
17 appropriations act to the beneficiaries of the revenues derived from
18 state forest lands. Funds that accrue to the state from such a
19 distribution shall be deposited into the salmon recovery account.
20 These funds shall be used for a grant program for cities and counties
21 for the preservation and restoration of riparian, marine, and estuarine
22 areas.

23 **Sec. 913.** RCW 49.70.170 and 1999 c 309 s 917 are each amended to
24 read as follows:

25 (1) The worker and community right to know fund is hereby
26 established in the custody of the state treasurer. The department
27 shall deposit all moneys received under this chapter in the fund.
28 Moneys in the fund may be spent only for the purposes of this chapter
29 following legislative appropriation. Disbursements from the fund shall
30 be on authorization of the director or the director's designee. During
31 the ((1999-2001)) 2001-2003 fiscal biennium, moneys in the fund may
32 also be used by the military department for the purpose of assisting
33 the state emergency response commission and coordinating local
34 emergency planning activities. The fund is subject to the allotment
35 procedure provided under chapter 43.88 RCW.

36 (2) The department shall assess each employer who reported ten
37 thousand four hundred or more worker hours in the prior calendar year
38 an annual fee to provide for the implementation of this chapter. The

1 department shall promulgate rules establishing a fee schedule for all
2 employers who reported ten thousand four hundred or more worker hours
3 in the prior calendar year and are engaged in business operations
4 having a standard industrial classification, as designated in the
5 standard industrial classification manual prepared by the federal
6 office of management and budget, within major group numbers 01 through
7 08 (agriculture and forestry industries), numbers 10 through 14 (mining
8 industries), numbers 15 through 17 (construction industries), numbers
9 20 through 39 (manufacturing industries), numbers 41, 42, and 44
10 through 49 (transportation, communications, electric, gas, and sanitary
11 services), number 75 (automotive repair, services, and garages), number
12 76 (miscellaneous repair services), number 80 (health services), and
13 number 82 (educational services). The department shall establish the
14 annual fee for each employer who reported ten thousand four hundred or
15 more worker hours in the prior calendar year in industries identified
16 by this section, provided that fees assessed shall not be more than two
17 dollars and fifty cents per full time equivalent employee. The annual
18 fee shall not exceed fifty thousand dollars. The fees shall be
19 collected solely from employers whose industries have been identified
20 by rule under this chapter. The department shall promulgate rules
21 allowing employers who do not have hazardous substances at their
22 workplace to request an exemption from the assessment and shall
23 establish penalties for fraudulent exemption requests. All fees
24 collected by the department pursuant to this section shall be collected
25 in a cost-efficient manner and shall be deposited in the fund.

26 (3) Records required by this chapter shall at all times be open to
27 the inspection of the director, or his designee including, the
28 traveling auditors, agents or assistants of the department provided for
29 in RCW 51.16.070 and 51.48.040. The information obtained from employer
30 records under the provisions of this section shall be subject to the
31 same confidentiality requirements as set forth in RCW 51.16.070.

32 (4) An employer may appeal the assessment of the fee or penalties
33 pursuant to the procedures set forth in Title 51 RCW and accompanying
34 rules except that the employer shall not have the right of appeal to
35 superior court as provided in Title 51 RCW. The employer from whom the
36 fee or penalty is demanded or enforced, may however, within thirty days
37 of the board of industrial insurance appeal's final order, pay the fee
38 or penalty under written protest setting forth all the grounds upon
39 which such fee or penalty is claimed to be unlawful, excessive or

1 otherwise improper and thereafter bring an action in superior court
2 against the department to recover such fee or penalty or any portion of
3 the fee or penalty which was paid under protest.

4 (5) Repayment shall be made to the general fund of any moneys
5 appropriated by law in order to implement this chapter.

6 **Sec. 914.** RCW 43.08.250 and 2000 sp.s c 1 s 911 are each amended
7 to read as follows:

8 The money received by the state treasurer from fees, fines,
9 forfeitures, penalties, reimbursements or assessments by any court
10 organized under Title 3 or 35 RCW, or chapter 2.08 RCW, shall be
11 deposited in the public safety and education account which is hereby
12 created in the state treasury. The legislature shall appropriate the
13 funds in the account to promote traffic safety education, highway
14 safety, criminal justice training, crime victims' compensation,
15 judicial education, the judicial information system, civil
16 representation of indigent persons, winter recreation parking, and
17 state game programs. During the fiscal biennium ending June 30,
18 ((2001)) 2003, the legislature may appropriate moneys from the public
19 safety and education account for purposes of appellate indigent defense
20 and other operations of the office of public defense, the criminal
21 litigation unit of the attorney general's office, the treatment
22 alternatives to street crimes program, crime victims advocacy programs,
23 justice information network telecommunication planning, sexual assault
24 treatment, operations of the office of administrator for the courts,
25 security in the common schools, alternative school start-up grants,
26 programs for disruptive students, criminal justice data collection,
27 Washington state patrol criminal justice activities, drug court
28 operations, ((department of ecology)) methamphetamine-related
29 enforcement, drug, and alcohol treatment activities, financial
30 assistance to local jurisdictions for extraordinary costs incurred in
31 the adjudication of criminal cases, domestic violence treatment and
32 related services, the department of corrections' costs in implementing
33 chapter 196, Laws of 1999, reimbursement of local governments for costs
34 associated with implementing criminal and civil justice legislation,
35 and the replacement of the department of corrections' offender-based
36 tracking system.

1 **Sec. 915.** RCW 82.14.310 and 1999 c 309 s 920 are each amended to
2 read as follows:

3 (1) The county criminal justice assistance account is created in
4 the state treasury. Beginning in fiscal year 2000, the state treasurer
5 shall transfer into the county criminal justice assistance account from
6 the general fund the sum of twenty-three million two hundred thousand
7 dollars divided into four equal deposits occurring on July 1, October
8 1, January 1, and April 1. For each fiscal year thereafter, the state
9 treasurer shall increase the total transfer by the fiscal growth
10 factor, as defined in RCW 43.135.025, forecast for that fiscal year by
11 the office of financial management in November of the preceding year.

12 (2) The moneys deposited in the county criminal justice assistance
13 account for distribution under this section, less any moneys
14 appropriated for purposes under subsection (4) of this section, shall
15 be distributed at such times as distributions are made under RCW
16 82.44.150 and on the relative basis of each county's funding factor as
17 determined under this subsection.

18 (a) A county's funding factor is the sum of:

19 (i) The population of the county, divided by one thousand, and
20 multiplied by two-tenths;

21 (ii) The crime rate of the county, multiplied by three-tenths; and

22 (iii) The annual number of criminal cases filed in the county
23 superior court, for each one thousand in population, multiplied by
24 five-tenths.

25 (b) Under this section and RCW 82.14.320 and 82.14.330:

26 (i) The population of the county or city shall be as last
27 determined by the office of financial management;

28 (ii) The crime rate of the county or city is the annual occurrence
29 of specified criminal offenses, as calculated in the most recent annual
30 report on crime in Washington state as published by the Washington
31 association of sheriffs and police chiefs, for each one thousand in
32 population;

33 (iii) The annual number of criminal cases filed in the county
34 superior court shall be determined by the most recent annual report of
35 the courts of Washington, as published by the office of the
36 administrator for the courts;

37 (iv) Distributions and eligibility for distributions in the 1989-91
38 biennium shall be based on 1988 figures for both the crime rate as
39 described under (ii) of this subsection and the annual number of

1 criminal cases that are filed as described under (iii) of this
2 subsection. Future distributions shall be based on the most recent
3 figures for both the crime rate as described under (ii) of this
4 subsection and the annual number of criminal cases that are filed as
5 described under (iii) of this subsection.

6 (3) Moneys distributed under this section shall be expended
7 exclusively for criminal justice purposes and shall not be used to
8 replace or supplant existing funding. Criminal justice purposes are
9 defined as activities that substantially assist the criminal justice
10 system, which may include circumstances where ancillary benefit to the
11 civil or juvenile justice system occurs, and which includes (a)
12 domestic violence services such as those provided by domestic violence
13 programs, community advocates, and legal advocates, as defined in RCW
14 70.123.020, and (b) during the (~~((1999-2001))~~) 2001-2003 fiscal biennium,
15 juvenile dispositional hearings relating to petitions for at-risk
16 youth, truancy, and children in need of services. Existing funding for
17 purposes of this subsection is defined as calendar year 1989 actual
18 operating expenditures for criminal justice purposes. Calendar year
19 1989 actual operating expenditures for criminal justice purposes
20 exclude the following: Expenditures for extraordinary events not
21 likely to reoccur, changes in contract provisions for criminal justice
22 services, beyond the control of the local jurisdiction receiving the
23 services, and major nonrecurring capital expenditures.

24 (4) Not more than five percent of the funds deposited to the county
25 criminal justice assistance account shall be available for
26 appropriations for enhancements to the state patrol crime laboratory
27 system and the continuing costs related to these enhancements. Funds
28 appropriated from this account for such enhancements shall not supplant
29 existing funds from the state general fund.

30 **Sec. 916.** RCW 43.72.902 and 2000 2nd sp.s. c 1 s 913 are each
31 amended to read as follows:

32 The public health services account is created in the state
33 treasury. Moneys in the account may be spent only after appropriation.
34 Moneys in the account may be expended only for maintaining and
35 improving the health of Washington residents through the public health
36 system. For purposes of this section, the public health system shall
37 consist of the state board of health, the state department of health,
38 and local health departments and districts. During the (~~((1999-2001))~~)

1 2001-2003 biennium, moneys in the fund may also be used for costs
2 associated with hepatitis C testing and treatment in correctional
3 facilities.

4 **Sec. 917.** RCW 43.79.465 and 1998 c 302 s 2 are each amended to
5 read as follows:

6 The education savings account is created in the state treasury.
7 The account shall consist of all moneys appropriated to the account by
8 the legislature.

9 (1) Ten percent of legislative appropriations to the education
10 savings account shall be distributed as follows: (a) Fifty percent to
11 the distinguished professorship trust fund under RCW 28B.10.868; (b)
12 seventeen percent to the graduate fellowship trust fund under RCW
13 28B.10.882; and (c) thirty-three percent to the college faculty awards
14 trust fund under RCW 28B.50.837.

15 (2) The remaining moneys in the education savings account may be
16 appropriated solely for (a) common school construction projects that
17 are eligible for funding from the common school construction account,
18 ~~((and))~~ (b) technology improvements in the common schools, and (c)
19 during the 2001-03 fiscal biennium, technology improvements in public
20 higher education institutions.

21 **Sec. 918.** RCW 46.10.040 and 1997 c 241 s 2 are each amended to
22 read as follows:

23 Application for registration shall be made to the department in the
24 manner and upon forms the department prescribes, and shall state the
25 name and address of each owner of the snowmobile to be registered, and
26 shall be signed by at least one such owner, and shall be accompanied by
27 an annual registration fee to be established by the commission, after
28 consultation with the committee and any state-wide snowmobile user
29 groups. ~~((The fee shall be fifteen dollars pending action by the~~
30 ~~commission to increase the fee.))~~ The commission shall increase the
31 current fee of twenty dollars by ~~((two))~~ five dollars ~~((and fifty~~
32 ~~cents))~~ effective September 30, ~~((1996))~~ 2001, and the commission shall
33 increase the fee by another ~~((two))~~ five dollars ~~((and fifty cents))~~
34 effective September 30, ~~((1997))~~ 2002. After the fee increase
35 effective September 30, ~~((1997))~~ 2002, the commission shall not
36 increase the fee. Upon receipt of the application and the application
37 fee, the snowmobile shall be registered and a registration number

1 assigned, which shall be affixed to the snowmobile in a manner provided
2 in RCW 46.10.070.

3 The registration provided in this section shall be valid for a
4 period of one year. At the end of the period of registration, every
5 owner of a snowmobile in this state shall renew his or her registration
6 in the manner the department prescribes, for an additional period of
7 one year, upon payment of the annual registration fee as determined by
8 the commission.

9 Any person acquiring a snowmobile already validly registered under
10 the provisions of this chapter must, within ten days of the acquisition
11 or purchase of the snowmobile, make application to the department for
12 transfer of the registration, and the application shall be accompanied
13 by a transfer fee of one dollar and twenty-five cents.

14 A snowmobile owned by a resident of another state or Canadian
15 province where registration is not required by law may be issued a
16 nonresident registration permit valid for not more than sixty days.
17 Application for the permit shall state the name and address of each
18 owner of the snowmobile to be registered and shall be signed by at
19 least one owner and shall be accompanied by a registration fee of five
20 dollars. The registration permit shall be carried on the vehicle at
21 all times during its operation in this state.

22 The registration fees provided in this section shall be in lieu of
23 any personal property or excise tax heretofore imposed on snowmobiles
24 by this state or any political subdivision thereof, and no city,
25 county, or other municipality, and no state agency shall hereafter
26 impose any other registration or license fee on any snowmobile in this
27 state.

28 The department shall make available a pair of uniform decals
29 consistent with the provisions of RCW 46.10.070. In addition to the
30 registration fee provided in this section the department shall charge
31 each applicant for registration the actual cost of the decal. The
32 department shall make available replacement decals for a fee equivalent
33 to the actual cost of the decals.

34 **Sec. 919.** RCW 72.11.040 and 2000 2nd sp.s. c 1 s 914 are each
35 amended to read as follows:

36 The cost of supervision fund is created in the custody of the state
37 treasurer. All receipts from assessments made under RCW 9.94A.270 and
38 72.04A.120 shall be deposited into the fund. Expenditures from the

1 fund may be used only to support the collection of legal financial
2 obligations. During the ((1999-2001)) 2001-2003 biennium, funds from
3 the account may also be used for costs associated with the department's
4 supervision of the offenders in the community(~~((, and the replacement of~~
5 ~~the department of corrections' offender-based tracking system))~~). Only
6 the secretary of the department of corrections or the secretary's
7 designee may authorize expenditures from the fund. The fund is subject
8 to allotment procedures under chapter 43.88 RCW, but no appropriation
9 is required for expenditures.

10 **Sec. 920.** RCW 69.50.520 and 2000 2nd sp.s. c 1 s 917 are each
11 amended to read as follows:

12 The violence reduction and drug enforcement account is created in
13 the state treasury. All designated receipts from RCW 9.41.110(8),
14 66.24.210(4), 66.24.290(2), 69.50.505(h)(1), 82.08.150(5),
15 82.24.020(2), 82.64.020, and section 420, chapter 271, Laws of 1989
16 shall be deposited into the account. Expenditures from the account may
17 be used only for funding services and programs under chapter 271, Laws
18 of 1989 and chapter 7, Laws of 1994 sp. sess., including state
19 incarceration costs. Funds from the account may also be appropriated
20 to reimburse local governments for costs associated with implementing
21 criminal justice legislation including chapter 338, Laws of 1997.
22 During the ((1999-2001)) 2001-2003 biennium, funds from the account may
23 also be used for costs associated with providing grants to local
24 governments in accordance with chapter 338, Laws of 1997, (~~((the design,~~
25 ~~sitework, and construction of the special commitment center,))~~ the
26 replacement of the department of corrections' offender-based tracking
27 system, maintenance and operating costs of the Washington association
28 of sheriffs and police chiefs jail reporting system, and for
29 multijurisdictional narcotics task forces. After July 1, ((2001))
30 2003, at least seven and one-half percent of expenditures from the
31 account shall be used for providing grants to community networks under
32 chapter 70.190 RCW by the family policy council.

33 **Sec. 921.** RCW 70.146.030 and 1996 c 37 s 2 are each amended to
34 read as follows:

35 (1) The water quality account is hereby created in the state
36 treasury. Moneys in the account may be used only in a manner
37 consistent with this chapter. Moneys deposited in the account shall be

1 administered by the department of ecology and shall be subject to
2 legislative appropriation. Moneys placed in the account shall include
3 tax receipts as provided in RCW 82.24.027, 82.26.025, and 82.32.390,
4 principal and interest from the repayment of any loans granted pursuant
5 to this chapter, and any other moneys appropriated to the account by
6 the legislature.

7 (2) The department may use or permit the use of any moneys in the
8 account to make grants or loans to public bodies, including grants to
9 public bodies as cost-sharing moneys in any case where federal, local,
10 or other funds are made available on a cost-sharing basis, for water
11 pollution control facilities and activities, or for purposes of
12 assisting a public body to obtain an ownership interest in water
13 pollution control facilities and/or to defray a part of the payments
14 made by a public body to a service provider under a service agreement
15 entered into pursuant to RCW 70.150.060, within the purposes of this
16 chapter and for related administrative expenses. For the period July
17 1, 2001, to June 30, 2003, moneys in the account may be used to process
18 applications received by the department that seek to make changes to or
19 transfer existing water rights. No more than three percent of the
20 moneys deposited in the account may be used by the department to pay
21 for the administration of the grant and loan program authorized by this
22 chapter.

23 (3) Beginning with the biennium ending June 30, 1997, the
24 department shall present a biennial progress report on the use of
25 moneys from the account to the chairs of the senate committee on ways
26 and means and the house of representatives committee on appropriations.
27 The first report is due June 30, 1996, and the report for each
28 succeeding biennium is due December 31 of the odd-numbered year. The
29 report shall consist of a list of each recipient, project description,
30 and amount of the grant, loan, or both.

31 (4) During the fiscal biennium ending June 30, 1997, moneys in the
32 account may be transferred by the legislature to the water right permit
33 processing account.

34 NEW SECTION. **Sec. 922.** If any provision of this act or its
35 application to any person or circumstance is held invalid, the
36 remainder of the act or the application of the provision to other
37 persons or circumstances is not affected.

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